

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 8 – “Risk Factors”. You could lose all the money you invest. This Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy securities. There shall be no sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. These securities are not available for sale to residents of the United States. Other than as disclosed in this Offering Memorandum and any marketing materials of the Trust, no person has been authorized to give any information or make any representation in respect of the Trust or the securities offered herein, and any such information or representation must not be relied upon.

Private Placement of Class C Trust Units

March 20, 2019

OFFERING MEMORANDUM

AVENUE LIVING AGRICULTURAL LAND TRUST

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Website: www.avenuelivingam.com

\$40,000,000 Maximum Offering (an aggregate of 4,000,000 Class C Trust Units)

Glossary:	See Glossary for meaning of capitalized words and phrases used in this Offering Memorandum.
Currently listed or quoted:	No. These securities do not trade on any exchange or market.
Reporting Issuer:	No.
SEDAR filer:	Yes, but only as required pursuant to section 2.9 of National Instrument 45-106 – <i>Prospectus Exemptions</i> . The Trust is not a reporting issuer and does not file continuous disclosure documents on SEDAR that are required to be filed by reporting issuers.

THE OFFERING

Securities Offered:	The Offering consists of Class C Trust Units of the Trust.
Price Per Security:	\$10.00 per Class C Trust Unit initially, until such time as the Manager re-prices the Class C Trust Units for sale at the Net Asset Value per Class C Trust Unit, and thereafter the Class C Trust Units will be sold at the latest Net Asset Value per Class C Trust Unit. See Item 5.1.3 – “Determination of Net Asset Value of the Trust”.
Maximum Offering:	\$40,000,000 (an aggregate of 4,000,000 Class C Trust Units). The Manager may, without notice to Investors, increase the Maximum Offering.
Minimum Offering:	There is no minimum offering. You may be the only purchaser. Funds available under the Offering may not be sufficient to accomplish our proposed objectives. See Item 8 – “Risk Factors”.
Minimum Subscription Amount:	\$25,000 (2,500 Class C Trust Units). The Manager may accept lesser amounts in its sole discretion. Residents of Québec must be “accredited investors” to subscribe for Class C Trust Units.
Eligibility Requirements	<u>Offering is only available to Canadian citizens or permanent residents of Canada.</u> All investors must be (i) a Canadian citizen (ii) a permanent resident of Canada or (iii) a corporation or other entity owned exclusively by persons who satisfy (i) or (ii). Residents of Quebec must be “accredited investors” to subscribe for Class C Trust Units. See eligibility requirements under Item 5.
Payment Terms:	Payment shall be made as directed by the Manager or your investment advisor. See Item 5.2 – “Subscription Procedure”.
Closing Dates:	Closings of the Offering will take place on the dates determined by the Manager. The Manager anticipates closings will be held on the second Thursday of every month.
Income Tax Consequences:	There are important tax consequences to these securities. See Item 6 – “Income Tax Consequences and Eligibility for Exempt Plans”.
Sellers Agents:	The Manager has retained agents and registered dealers to complete sales of Class C Trust Units and reserves the right, as allowed by applicable securities legislation, to retain additional agents to complete the sales of Class C Trust Units. Certain agents and dealers will be paid commissions on the gross proceeds raised on the Class C Trust Units sold. See Item 7 – “Compensation Paid to Sellers and Finders”.
Redemption Matters	Redemptions may be at a lower amount than your subscription price. Cash redemptions are limited to a maximum of \$50,000 per calendar month. Redemption Notes that may be issued in lieu of cash on redemption will not be a qualified investment for tax-exempt subscribers. See Item 5.1.2 – “Redemption of Trust Units” and Item 8 “Risk Factors”.

RESALE RESTRICTIONS

You will be restricted from selling your securities for an indefinite period. You will not be able to sell these securities except in very limited circumstances. You may never be able to resell these securities. See Item 10 – “Resale Restrictions”.

PURCHASER’S RIGHTS

You have 2 Business Days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11– “Purchasers’ Rights”.

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EXECUTIVE SUMMARY

An investment in Class C Trust Units will allow investors to participate indirectly in the diversified agriculture land portfolio of the Avenue Living Agricultural Land Limited Partnership (the “**Partnership**”). The Partnership currently owns 28,782 acres of farmland in Saskatchewan having an approximate value of \$40,000,000. The Partnership and certain of its related entities have jointly obtained an exemption from the Government of Saskatchewan Farm Land Security Board permitting the ownership of Saskatchewan farm land through the trust structure of Fund Entities. See Item 2.2.5 – “Farm Ownership Exemption Order”.

The Trust is an unincorporated open-ended investment trust formed and existing under the laws of Alberta. The Trustees are Anthony Giuffre, Leif Snethun, Dr. Michael Giuffre, Carl Diodati, Joseph Giuffre, Dr. Kabirudeen Jivraj and Jack Coldwell who manage the affairs of the Trust. The Trust is governed by the Trust Deed. See Item 2.7.1 – “Trust Deed”.

The Trust does not carry on active business. Rather, the Trust, through its indirect ownership of securities in the Partnership, acquires and leases agricultural land in Canada, with a focus on Alberta, Saskatchewan and Manitoba to generate income and the possibility of capital appreciation for the Unitholders. See Item 2.2.2 – Investment Strategy. To date, the Partnership has acquired 28,782 acres located in rural in Saskatchewan. See Item 2.2.5 – “The Agricultural Land Portfolio”.

The Partnership is subject to certain investment guidelines, including a maximum overall loan-to-value ratio and a target level of investment in any one property. See Item 2.2.4 – “Investment Guidelines and Operating Policies”.

Unitholders will only be entitled to receive non-cumulative distributions if, as and when declared by the Trustees in accordance with and as provided by the terms of the Trust Deed. The Trustees currently do not anticipate the Trust will make any distributions to Unitholders. It is expected that any net income generated by the Partnership will be deployed for the purposes of acquiring additional land for the Partnership’s portfolio.

The Trust and the Partnership are expected to wind up their affairs on December 31, 2023 (the “**Termination Date**”), unless extended. The Partnership Agreement provides for the Partnership to cease to carry on business on the Termination Date, however it does give the General Partner the discretionary authority to extend the Termination Date for two additional one-year periods if, the General Partner determines it is in the best interests of the Partnership to do so, with such determination to be evidenced by (i) the unanimous approval of the Independent director(s) of the General Partner and (ii) the approval of a majority of the other directors of the General Partner. Immediately prior to the Termination Date, the General Partner will, to the extent possible, convert the assets of the Partnership to cash and, after paying or making adequate provisions for all of the Partnership’s liabilities, shall distribute in cash the net assets of the Partnership to the partners of the Partnership on a pro rata basis as soon as practicable after the Termination Date. Any distributions received by the Holding Trust would be distributed to the Trust, as its sole unitholder, and then by the Trust to Unitholders (in each case after making adequate provisions for any liabilities, if any).

The Trust is targeting a return to investors in Class C Units of 11-14% per annum. See “Forward-looking Information” and Item 8 – “Risk Factors”.

This Offering will be made in all the Provinces of Canada and such other jurisdictions as determined by the Trust, in all cases under exemptions from the prospectus requirement under applicable securities laws. Until this Offering Memorandum is translated into French, any sales of Class C Trust Units will be made in Québec under the “accredited investor” or other available exemptions.

There are risks associated with an investment in Class C Trust Units as a result of the Trust’s proposed nature and activities. An investment in the Class C Trust Units should only be made after consultation with independent qualified sources of investment and tax advice. See Item 8 – “Risk Factors”.

FORWARD-LOOKING INFORMATION

This Offering Memorandum contains certain statements or disclosures that may constitute forward-looking information under applicable securities laws. All statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that the Trust anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward looking information can be identified by terms such as “future”, “may”, “will”, “intend”, “expect”, “anticipate”, “target”, “believe”, “potential”, “enable”, “plan”, “continue”, “contemplate” or other comparable terminology. Forward looking information presented in this Offering Memorandum includes the following:

- a) the Trust or the Manager’s intentions or expectations about its ability to raise capital under the Offering (including the issue and sale of Class C Trust Units) or otherwise, including the ability of the Trust to complete the Maximum Offering;
- b) long-term or short-term plans and objectives of the Fund Entities for future operations or refinancing of the land assets, forecast business results and anticipated financial performance, including any targeted returns to purchasers of Class C Units;
- c) the Trust or the Manager’s intentions or expectations about its ability to distribute cash (if any) to Unitholders;
- d) intentions or expectations about the Partnership acquiring, agricultural land (including those in Item 2.2 – “Our Business”, Item 2.2.4 – “Investment Guidelines and Operating Policies”, and Item 2.2.2 – “Investment Strategy”), the Partnership’s ongoing leasing management of the Agricultural Land Portfolio, sources of funds and forecasts of capital expenditures;
- e) the Trust or the Manager’s intentions regarding payment of Selling Commissions, Offering costs and ongoing general and administrative expenses, including the fees and expenses described in Item 7.1 – “Commissions and Fees”; and
- f) forecast business results and anticipated financial performance.

Various assumptions are typically applied in drawing conclusions or making the forecasts or projections set out in forward looking information. Those assumptions are based on information currently available to the Trust, including information obtained by the Trust from third-party industry analysts and other arm’s length sources. In some instances, material assumptions are presented or discussed elsewhere in this Offering Memorandum in connection with the forward-looking information. We caution you that the following list of material assumptions is not exhaustive. The assumptions include, but are not limited to:

- a) expectations about general economic conditions and conditions in the real estate markets where the land assets are located or in which the Partnership operates or will operate and the ability to deploy capital in those markets and generate a profit therefrom;
- b) expectations about the availability of capital, including expectations about the successful completion of the Maximum Offering;
- c) expectations about the Trust’s ability to raise sufficient Available Funds to complete its business objectives, including the advance of Available Funds to the Partnership, and facilitating the Partnership’s acquiring, leasing, and managing of the Agricultural Land Portfolio;
- d) intentions or expectations about the Partnership’s abilities or opportunities to sell, finance or refinance any property;
- e) expectations about policies of the municipal, local, state and federal governments in respect of ownership and use of the lands that make up the Agricultural Land Portfolio;
- f) a stable competitive environment; and
- g) no significant event occurring outside the ordinary course of business such as a natural disaster or other calamity.

The forward-looking information in this Offering Memorandum is based (in whole or in part) upon factors which may cause actual results, performance or achievements of the Partnership, and, consequently, those of the Trust, to differ materially from those contemplated (whether expressly or by implication) in the forward-looking information. Actual results or outcomes may differ materially from those predicted by such forward-looking information. While the Manager does not know what impact any of those differences may have, the Partnership’s business, results of operations, financial condition and credit stability, and, consequently, those of the Trust, may be materially adversely affected.

Other factors which could cause actual results, performance, achievements or outcomes of the Trust to differ materially from those contemplated (whether expressly or by implication) in the forward-looking information are disclosed under Item 8 – “Risk Factors”. The Trust is not obligated to update or revise any forward-looking information, whether because of new information, future events or otherwise, except as required by applicable laws. Because of the risks, uncertainties and assumptions contained herein,

prospective investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained in this Offering Memorandum.

DOCUMENTS INCORPORATED BY REFERENCE

Any documents of the type referred to in National Instrument 45-106 – *Prospectus Exemptions* to be incorporated by reference in this Offering Memorandum, including any marketing materials that are effective after the date of this Offering Memorandum and before the termination of the Offering, are deemed to be incorporated by reference in this Offering Memorandum. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Manager at Suite 400, 4820 Richard Road SW, Calgary, Alberta T3E 6L1. Alternately, you may request copies by emailing the Manager at sallchurch@avenueliving.ca.

Any statement contained in this Offering Memorandum or in a document incorporated or deemed to be incorporated by reference herein is deemed to be modified or superseded for the purposes of this Offering Memorandum to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded is not deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.

Information contained or otherwise accessed through the Trust's website or any website does not form part of this Offering Memorandum or the Offering.

DEFINED TERMS

In this Offering Memorandum (including in the face pages hereof), unless the context otherwise requires, the following words and terms have the indicated meanings and grammatical variations of such words and terms have corresponding meanings:

“ABCA”	means <i>Business Corporations Act</i> (Alberta), R.S.A. 2000, c. B-9, as it may be amended from time to time, including the regulations promulgated thereunder.
“affiliate”	has the meaning given in National Instrument 45-106 – <i>Prospectus Exemptions</i> , without limiting that definition, an issuer is an affiliate of another issuer if: <ul style="list-style-type: none">(a) one issuer is controlled, directly or indirectly, by the other issuer; or(b) two or more issuers are controlled, directly or indirectly, by the same other person(s) or issuer, and in respect of such relationship, a person or issuer (first person) is considered to “control” another issuer (second person) if:(c) the first person, directly or indirectly, beneficially owns or exercises direction or control over securities of the issuer carrying votes which, if exercised, entitle the first person to elect a majority of the directors (or other similar fiduciaries) of the issuer, unless the first person holds the voting securities only to secure an obligation; or(d) the issuer is a partnership (other than a limited partnership) and the first person holds more than 50% of the interests of the partnership; or(e) the issuer is a limited partnership, whose general partner is the first person.
“Agricultural Land Portfolio”	means the portfolio of agricultural land assets owned by the Partnership from time to time, as further described in Item 2.2.9 – “Agricultural Land Portfolio”.
“ALAM”	means Avenue Living Asset Management Ltd.
“Available Funds”	means the Gross Offering Proceeds less the aggregate of the estimated Offering costs and Selling Commissions.
“Agriculture GP”	means Avenue Living Agricultural Land GP Ltd., a corporation incorporated under the laws of Alberta, which is a general partner of the Partnership and which is solely and beneficially owned or controlled, directly or indirectly, by Anthony Giuffre, Dr. Michael Giuffre, Carl Diodati, Joseph Giuffre, Dr. Kabirudeen Jivraj and Leif Snethun.
“AUC”	means assets under contract to purchase.

“AUM”	means assets under management.
“Authorizing Resolution”	has the meaning ascribed to it in Item 6.1.1.
“Business Day”	means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in Calgary, Alberta, for the transaction of banking business.
“Class A Trust Units”	means the Class A trust units of the Trust.
“Class C Trust Unit”	means a Class C trust unit of the Trust.
“Class Net Asset Value per Trust Unit”	means the net asset value per Trust Unit of a particular class of Trust Units, as at the Valuation Date obtained by calculating the Net Asset Value of the Trust and then allocating that Net Asset Value to each class of Trust Units and then dividing such amount by the number of outstanding Trust Units of such class (before giving effect to any issue of Trust Units of that class on that date).
“Closing”	means the completion of the issue and sale to Investors of Class C Trust Units under the Offering.
“Closing Date”	means the date of a Closing. Closings may be held at such dates as determined by the Manager until the Maximum Offering is achieved or the Offering is terminated. The Manager anticipates that Closings will occur on the second Thursday of each calendar month.
“Corporate Trustee”	means Agriselect Land Capital Management Ltd.
“Conflict of Interest Matter”	means a situation where a reasonable person would consider the person or entity in question, or an entity related to such person or entity, to have an interest which may conflict with their ability to act in good faith and in the best interests of the Trust or the Partnership.
“CRA”	means the Canada Revenue Agency.
“Exempt Plans”	means a trust governed by a registered retirement savings plan, a registered education savings plan, a registered retirement income fund, a deferred profit-sharing plan, a tax-free savings account or a registered disability savings plan.
“Farmland Act”	means <i>The Saskatchewan Farm Security Act</i> , Chapter S-17.1, as it may be amended from time to time, including the regulations promulgated thereunder.
“Farmland Board”	means the Saskatchewan Farm Land Security Board.
“Farm Ownership Exemption Order”	means the exemption order granted to the Fund Entities on June 23, 2016 by the Saskatchewan Farmland Board and described in Item 2.2.5 - “Farm Ownership Exemption Order”.
“Fund Entities”	means, collectively, the Trust, the Holding Trust and the Partnership.
“General Partner”	means the general partner of the Partnership from time to time, which currently is Agriculture GP.
“Gross Offering Proceeds”	means at any time, the aggregate gross proceeds realized by the Trust from the issue and sale of the Class C Trust Units under the Offering.
“Holding Trust Deed”	means the deed of trust dated as of December 2, 2016, as amended on November 9, 2017 and as may be further amended or restated from time to time, between Robert Verbuck, as settlor, the Corporate Trustee, and Robert Verbuck, as the initial unitholder, as beneficiaries, governing the Holding Trust, as more particularly described under Item 2.7.2 – “Holding Trust Deed”.
“Holding Trust”	means Avenue Living Agricultural Land Holding Trust, a trust formed under the laws of Alberta pursuant to the Holding Trust Deed. See also Item 2.1 – “The Holding Trust”.
“Holding Trust Units”	means the Class A trust units of the Holding Trust.
“Independent”	means, with respect a Trustee or Director, if such Trustee or Director has no Material Relationship with the Fund Entities, the Manager/General Partner, the Corporate Trustee, ALAM, the other Trustees or any affiliate, shareholder, officer or director of the foregoing entities.

“Initial Trustee”	means Mr. Anthony Giuffre, the initial trustee of the Trust.
“Investor”	means a person subscribing for and purchasing Class C Trust Units pursuant to the Offering.
“Investment Strategy”	means the investment strategy of the Partnership for the acquisition and leasing of agricultural lands, as described in Item 2.2.2 - “Investment Strategy”.
“Limited Partner”	means a limited partner of the Partnership.
“LP Units”	means the Class A units of the Partnership.
“Manager”	means Avenue Living Agricultural Land GP Ltd., the manager of the Fund Entities under the Management Agreement.
“Management Agreement”	means the management agreement dated December 2, 2016 among the Manager and the Fund Entities. See Item 2.7.4 – “Management Agreement”.
“Management Fees”	means the fees payable by the Fund Entities to the Manager pursuant to the Management Agreement. See Item 2.7.4 – “Management Agreement”.
“Material Relationship”	means a material relationship which could reasonably be perceived to interfere with a Trustee’s independent judgment regarding a Conflict of Interest Matter, provided that none of the following relationships shall constitute a material relationship: (i) ownership of Trust Units where the Trustee holds less than 10% of the issued and outstanding Trust Units of such class; and (ii) ownership of LP Units where the Trustee holds less than 10% of the issued and outstanding LP Units of such class.
“Maximum Offering”	means Gross Offering Proceeds of \$40,000,000, to be achieved through the issue and sale of up to 4,000,000 Class C Trust Units under the Offering.
“Net Asset Value”	means the net asset value of the Trust, as at a Valuation Date, calculated by subtracting the Trust’s aggregate liabilities (including accrued expenses) from the Trust’s aggregate assets. See Item 5.1.3 – “Determination of Net Asset Value of the Trust”.
“Net Asset Value of the Partnership”	means, with respect to the Partnership, the aggregate value of the assets of the Partnership less the aggregate value of the Partnership’s liabilities, each as reported in the most recently prepared financial statements of the Partnership, provided, however, that such amount may be adjusted annually at the fiscal year end after receipt of audited financial statements prepared by an independent auditor for the same period.
“Net Operating Income”	means rental and ancillary revenues less expenses related to the Agricultural Land Portfolio.
“Non-Resident”	means a person who is not resident in Canada or that is deemed to be not resident in Canada for the purposes of the Tax Act.
“Offering”	means the Trust’s offering, issue and sale of Class C Trust Units at a price of \$10.00 per Class C Trust Unit, on a private placement basis, as more particularly described in this Offering Memorandum.
“Offering Memorandum”	means this confidential offering memorandum pertaining to the Offering, including any amendment, restatement or update to this offering memorandum.
“Partnership”	means Avenue Living Agricultural Land Limited Partnership, an Alberta limited partnership governed by the Partnership Agreement, whose partners are the Agriculture GP, the Holding Trust and any other limited partners who may be admitted from time to time. See also Item 2.1 – “The Partnership” and “The General Partner”.
“Partnership Act”	means the <i>Partnership Act</i> (Alberta), R.S.A. 2000, c. P-3, as it may be amended from time to time.
“Partnership Agreement”	means the limited partnership agreement dated as of December 2, 2016, as amended on November 9, 2017 and March 11, 2019 and as may be further amended or restated from time to time.

	time, between the Agriculture GP and the limited partners of the Partnership, which agreement governs the Partnership. See also Item 2.7.3 – “Partnership Agreement”.
“Partnership Units”	means the Class A Limited Partnership Units of the Partnership, and any other units of the Partnership which may be issued from time to time.
“Person”	Includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative.
“Qualified Purchaser”	means a person that is qualified to purchase under the terms of the Subscription Agreement.
“Redemption Notes”	mean subordinated promissory notes issued, in series or otherwise, by the Trust pursuant to a note indenture or otherwise and issued to redeeming Unitholders in principal amounts equal to the in specie redemption price of the Trust Units to be redeemed plus interest at a rate of 2% per annum and having the terms and conditions as the Trustees may determine.
“Redemption Note Interest”	means, pursuant to the Redemption Notes, an interest rate of 2% per annum payable on the aggregate amount of a Redemption Note and payable at such time as the Redemption Note is paid in full by the Trust.
“RRIF”	means a registered retirement income fund.
“RRSP”	means a registered retirement savings plan.
“Selling Commissions”	means the commissions, dealer fees, marketing fees and other compensation payable to selling agents who sell or assist in selling the Class C Trust Units under the Offering and who are not precluded from receiving such commissions, dealer fees, marketing fees or other compensation under applicable securities law. See Item 7 – “Compensation Paid to Sellers and Finders”.
“Services Agreement”	means the services agreement dated effective October 17, 2017 among ALAM, the Fund Entities and the Manager pursuant to which ALAM provides services to the Fund Entities and the Manager in connection with their respective businesses.
“Services Fees”	means certain fees payable by each of the Fund Entities to ALAM pursuant to the Services Agreement. See Item 2.7.4 – “Services Agreement”.
“Settlor”	means Mr. Robert Verbuck, the settlor of the Trust.
“SIFT Rules”	has the meaning given thereto in Item 6.2.2 – “The SIFT Rules”.
“SIFT Trust”	has the meaning given thereto in Item 6.2.2 – “The SIFT Rules”.
“Special Resolution”	means: <ul style="list-style-type: none"> (a) a resolution proposed to be passed as a special resolution at a meeting of Unitholders (including an adjourned meeting) duly convened for that purpose and held in accordance with the Trust Deed and passed by more than 66⅔% of the votes cast on such resolution by Unitholders present or represented by proxy at the meeting; or (b) notwithstanding any other provision of the Trust Deed, a resolution in writing executed by Unitholders holding more than 66⅔% votes attached to outstanding Trust Units at any time.
“Subscription Agreement”	means a subscription agreement to be executed by each Investor providing for the purchase of Class C Trust Units in the form provided by the Manager.
“subsidiary”	has the meaning given in National Instrument 45-106 – <i>Prospectus Exemptions</i> . Without limiting that definition, an issuer is a subsidiary of another issuer if it is controlled, directly or indirectly, by that other issuer, and in respect of such relationship, a person or issuer (first person) is considered to “control” another issuer (second person) if: <ul style="list-style-type: none"> (a) the first person, directly or indirectly, beneficially owns or exercises direction or control over securities of the issuers carrying votes which, if exercised, entitle the first person to elect a majority of the directors (or other similar fiduciaries) of the issuer, unless the first person holds the voting securities only to secure an obligation; or (b) the issuer is a partnership (other than a limited partnership) and the first person holds more than 50% of the interests of the partnership; or

(c) the issuer is a limited partnership, whose general partner is the first person.

“Tax Act”	means the <i>Income Tax Act</i> (Canada) RSC 1985, c.1 (5 th Supp.) and the regulations thereunder, as amended from time to time.
“Termination Date”	means with respect to the Fund Entities, the date(s) upon which each respective Fund Entity is wound up and ceases to carry on business.
“TFSA”	means a tax-free savings account.
“Trust”	means Avenue Living Agricultural Land Trust, a trust formed under the laws of Alberta pursuant to the Trust Deed. See also Item 2.1 – “The Trust”.
“Trust Deed”	means the deed of trust dated as of December 2, 2016, as amended on November 9, 2017 and March 11, 2019 and as may be further amended or restated from time to time, between the Settlor, the Initial Trustee and the Unitholders, as beneficiaries, governing the Trust, as more particularly described under Item 2.7.1 – “Trust Deed”.
“Trustees”	means at any time, the trustees of the Trust, who are, currently Anthony Giuffre, Leif Snethun, Dr. Michael Giuffre, Carl Diodati, Joseph Giuffre, Dr. Kabirudeen Jivraj and Jack Coldwell. See Item 3 – “Interests of Trustees, Directors, Management, Promoters and Principal Holders.
“Trust Unit”	means a Class A Trust Unit or a Class C Trust Unit, as applicable.
“Unitholder”	means a registered holder of Trust Units at any time and from time to time, as shown on the register maintained by or on behalf of the Trust for outstanding Trust Units.
“Valuation Date”	means December 31 of each year and such other day as the Trustees may designate for the Trust as a valuation date.

In this Offering Memorandum, unless the context otherwise requires, grammatical variations of the words and terms in this Glossary have meanings corresponding to the meanings given in this Glossary. Without limiting the generality of the foregoing, words and terms in the Glossary that only give the singular number include the plural and vice versa, and words and terms importing the masculine, feminine or neutral gender include the other genders.

In this Offering Memorandum, unless expressly modified by the words “only” or “solely”, the words “include”, “includes” or “including”, when following any general term or statement, are not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters but rather are to be construed as meaning “include(s) without limitation” or “including without limitation” (as the context requires) and permitting such general term or statement to refer to all other items or matters that could reasonably fall within its broadest possible scope.

In this Offering Memorandum, unless the context otherwise requires, terms such as “we”, “us” and “our” – are meant to refer to the Fund Entities and terms such as “you” are meant to refer to Investors who purchase Class C Trust Units under the Offering, thereupon becoming Unitholders.

ITEM 1: USE OF AVAILABLE FUNDS

1.1 Funds

The table below represents the estimated Available Funds under the Offering (being Gross Offering Proceeds less Selling Commissions and estimated Offering costs). To date, the Trust has realized no Gross Offering Proceeds and has paid no Selling Commissions in connection with the Offering.

		Assuming Minimum Offering	Assuming Maximum Offering
A	Total amount to be raised by the Offering ⁽¹⁾	-	\$40,000,000
B	Selling Commissions ⁽²⁾	-	\$2,800,000
C	Estimated Offering Costs ⁽³⁾	-	\$300,000
D	Available Funds: D = A – (B + C) ⁽⁴⁾	-	\$36,900,000
E	Additional sources of funding required	-	Note 5
F	Working capital deficiency	-	Note 6
G	Total: G = (D+E)-F	-	\$36,900,000

Notes:

- (1) The Trust may complete the issue and sale of the Class C Trust Units at any time and from time to time at one or more Closings until the Maximum Offering is reached, extended or the Offering is otherwise terminated. Under the Maximum Offering, the Trust will issue and sell the Class C Trust Units for aggregate gross proceeds of up to \$40,000,000. The Trust may, without notice to Investors, increase the Maximum Offering. There is no assurance that the Maximum Offering will be completed. See Items 1.2 – “Use of Available Funds”, Item 2.2 – “Our Business” and Item 8 – “Risk Factors”.
- (2) The Class C Trust Units will be sold by selling agents who receive commissions. See Item 5.4 – “Fees and Expenses” and Item 7 – “Compensation Paid to Sellers and Finders” for additional details.
- (3) The estimated costs of up to \$300,000 include costs incurred in connection legal, advertising, marketing and accounting costs associated with the Offering.
- (4) The foregoing represents the Fund Entities’ best estimate of Available Funds, because it is not possible to determine accurately the amount of Available Funds as a result of the Offering as it is a continuing offering and the subscription price may vary depending on what the Net Asset Value of the Trust (calculated in accordance with the Trust Deed, as described in Item 5.1.3 – “Determination of Net Asset Value of the Trust”) is at the time each Class C Trust Unit is purchased. The Trust sells Class C Trust Units on a continuous basis, with closings to occur on such dates as determined by the Manager.
- (5) The Available Funds may not be sufficient to accomplish the Fund Entities’ objectives. The Trust intends to raise enough funds through debt or equity financing to fund the business of the Partnership. The total amount to be raised by the Offering shall not exceed \$40,000,000.00 unless waived by the Manager. The Fund Entities may, to the extent available on acceptable terms, obtain debt financing. No alternate financing has been arranged for the Fund Entities. There is no assurance that alternative financing will be available on acceptable terms or at all. There is no assurance that the Fund Entities will have adequate working capital to meet the anticipated requirements described in this Offering Memorandum. See Item 8 – “Risk Factors”.
- (6) As at February 28, 2019, neither the Trust nor the Holding Trust had a working capital deficiency. As at February 28, 2019, the Partnership had a working capital deficiency, including the current portion of mortgages and loans payable, of approximately \$20,930,590. Included in this amount are mortgages with scheduled repayments of approximately \$16,552,265 due beyond one year but are included as current because they may become due on demand. The Partnership anticipates funding its working capital requirements through a combination of ongoing reoccurring revenue, re-financings and future financing efforts. In the future and going forward, there is no assurance that the Trust or Partnership will have adequate working capital to meet the anticipated requirements described in this offering memorandum.

1.2 Use of Available Funds

The table below represents the estimated use of the Available Funds by the Trust, based on its present plans and present business conditions.

Description of intended use of Available Funds listed in order of priority	Assuming Minimum Offering	Assuming Maximum Offering ⁽³⁾ (4)
To subscribe for Holding Trust Units. (The Holding Trust will in turn subscribe for LP Units. The Partnership will in turn use such funds as more particularly described below)	—	\$36,900,000
The Partnership intends to use the funds it receives from the issuance of LP Units to the Holding Trust as follows:		
Acquisition of agricultural land ⁽¹⁾		\$34,793,000
Management Fees ⁽²⁾		\$435,000
Services Fees ⁽²⁾		\$72,000
Repayment of indebtedness		\$1,000,000
Working capital		\$600,000

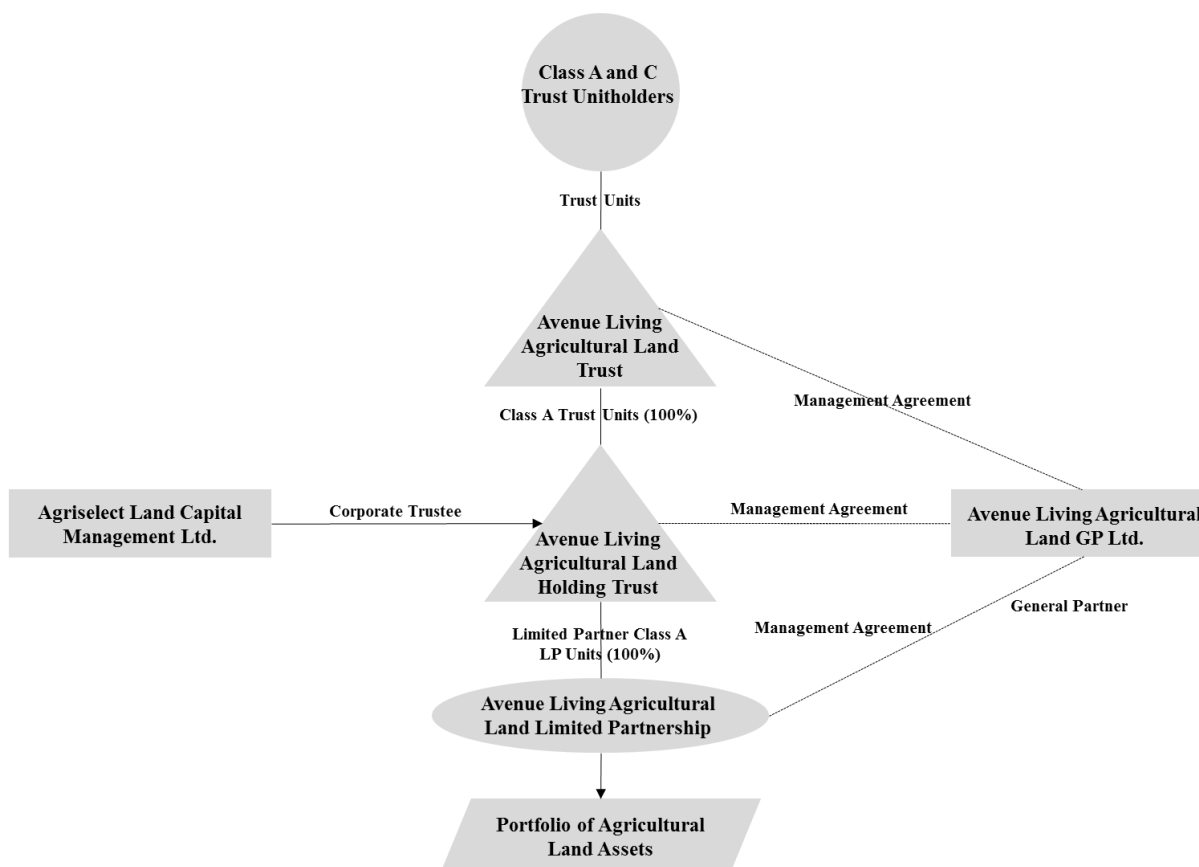
Notes:

- (1) See Item 2.2 – “Our Business” for a description of the agricultural land acquisition business of the Partnership.
- (2) The Management Fees are the fees that are payable by the Fund Entities to the Manager pursuant to the Management Agreement. The Services Fees are the fees that are payable by the Fund Entities to ALAM pursuant to the Services Agreement.” See Item 2.7.5 – “Services Agreement”, Item 2.7.6 – “Management Agreement” and Item 5.4.1 – “Management Fees.
- (3) The above table represents the estimated use of the Available Funds by the Fund Entities, based on its present plans and present business conditions. In order to capitalize the Partnership, the Trust will use the Available Funds from the Offering to subscribe for Holding Trust Units. The Holding Trust will use the available funds generated from the sale of such Holding Trust Units to subscribe for LP Units of the Partnership. See Item 2.2 – “Our Business”.
- (4) The above table represents the Fund Entities’ best estimate of the allocations of the Available Funds based on anticipated business plans and business conditions. However, there is no assurance that unforeseen events or changes in business conditions will not result in the application of Available Funds in a manner other than is described in this offering memorandum. Any such reallocation of the Available Funds would be substantially limited to the categories set forth above. Pending such uses, the Trust intends to invest such funds in short term, interest bearing securities as permitted by the Trust Deed.

ITEM 2: BUSINESS OF THE TRUST

2.1 Structure

The following diagram illustrates the structure of the Trust and its related entities:



The Trust

The Trust is an open-ended, unincorporated investment trust created pursuant to the Trust Deed on December 2, 2016. The affairs of the Trust are managed by the Trustees, who are Anthony Giuffre, Dr. Michael Giuffre, Carl Diodati, Joseph Giuffre, Dr. Kabirudeen Jivraj, Leif Snethun and Jack Coldwell (Independent). The Trust exists under the laws of the Province of Alberta and is governed by the Trust Deed. See Item 2.7.2 – “Trust Deed”. The Trust holds all of the issued and outstanding Holding Trust Units.

The Holding Trust

The Holding Trust is an open-ended, unincorporated investment trust created pursuant to the Holding Trust Deed on December 2, 2016. The affairs of the Holding Trust are managed by the Corporate Trustee. The Holding Trust exists under the laws of the Province of Alberta and is governed by the Holding Trust Deed. See Item 2.7.2 – “Holding Trust Deed”. The Holding Trust holds all of the issued and outstanding Class A LP Units of the Partnership.

The Corporate Trustee

The Corporate Trustee is the trustee of the Holding Trust. It was incorporated under the laws of the Province of Alberta on October 12, 2017 and registered extra-provincially in the Province of Saskatchewan on October 17, 2016. The directors of the Corporate Trustee are Anthony Giuffre, Leif Snethun and Jack Coldwell (Independent). See Item 3 – “Directors, Management, Promoters and Principal Holders”. As trustee of the Holding Trust, the Corporate Trustee has the full authority and responsibility to manage the business and affairs of the Holding Trust.

The Corporate Trustee is owned and beneficially owned or controlled, directly or indirectly, by Anthony Giuffre, Carl Diodati, Leif Snethun and Dr. Michael Giuffre as follows: (i) Anthony Giuffre directly owns or controls 31.5% of the outstanding common shares; (ii) Carl Diodati directly owns or controls 31.5% of the outstanding common shares; (iii) Leif Snethun directly owns or controls 25% of the outstanding common shares and (iv) Dr. Michael Giuffre directly owns or controls 12% of the outstanding common shares.

The Partnership

The Partnership is an Alberta limited partnership that was formed on December 2, 2016 and is governed by the Partnership Agreement. The general partner of the Partnership is Agriculture GP and currently the sole limited partner is the Holding Trust. Other limited partners may join the Partnership from time to time. See Item 2.7.3 – “Partnership Agreement”. See also Item 2.1 – “Structure - The General Partner”.

The General Partner

The Agriculture GP is the general partner of the Partnership and was incorporated in Alberta on October 12, 2016 with the name “Agriselect Land Capital Ltd.” and on November 16, 2017 filed articles of amendment to change its name to “Avenue Living Agricultural Land GP Ltd.” The General Partner was registered extra-provincially in the Province of Saskatchewan on October 17, 2016. The directors of the General Partner are Anthony Giuffre, Leif Snethun, Dr. Michael Giuffre, Carl Diodati, Joseph Giuffre, Dr. Kabirudeen Jivraj and Jack Coldwell (Independent). As general partner of the Partnership, the General Partner has the authority and responsibility to manage the business and affairs of the Partnership.

Agriculture GP is owned and beneficially owned or controlled, directly or indirectly, by Anthony Giuffre, Dr. Michael Giuffre, Carl Diodati, Leif Snethun, Joseph Giuffre and Dr. Kabirudeen Jivraj as follows: (i) Anthony Giuffre directly owns or controls 20% of the outstanding common shares of the General Partner; (ii) Dr. Michael Giuffre directly owns or controls 15% of the outstanding common shares of General Partner; (iii) Carl Diodati directly owns or controls 15% of the outstanding common shares of General Partner; (iv) Leif Snethun directly owns or controls 20% of the outstanding common shares of General Partner; v) Joseph Giuffre directly owns or controls 15% of the outstanding common shares of General Partner; and (vi) Dr. Kabirudeen Jivraj directly owns or controls 15% of the outstanding common shares of General Partner. See Item 2.1.3 Partnership and the General Partners.

Governance Matters

One way the Trust facilitates the exercise of Independent supervision over management of the Trust is by ensuring oversight by Trustees who are Independent from management of the Trust. As of the date of this Offering Memorandum, Jack Coldwell is an Independent Trustee and at least one additional Independent trustee will be appointed on or before July 15, 2019. As of the date of this Offering Memorandum, six of the Trustees are also directors of the Manager, two are directors of the Corporate Trustee and two are directors of ALAM. As such, these respective Trustees are not considered Independent of the Manager, the Corporate Trustee or ALAM.

All of the Trustees, both non-Independent and Independent, are required by the Trust Deed and applicable law at all times to exercise their powers and carry out their functions as Trustees honestly, in good faith and in the best interests of the Trust and the Unitholders and are to exercise that degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances. All of the Trustees are sensitive to conflicts of interest and are required by the terms of the Trust Deed to provide full written disclosure of any conflicts and excuse themselves from deliberations and voting in the appropriate circumstances related to any conflict of interest. Although the Trustees consider independence from the Trust, the Manager and ALAM as a factor in assessing its own effectiveness as well as the qualifications of potential candidates, the Trustees’ primary objective is to ensure that Trustees are qualified candidates and are selected on the basis of their overall qualifications and ability to contribute to the effective governance of the Trust. It is believed that all of the Trustees make a valuable contribution to the Trust and the operation of its business.

Each of the Manager, the Corporate Trustee and ALAM have adopted a conflict of interest policy (the “**Policy**”) that provides that the approval of the Independent Trustee(s) shall be required to consent to or approve any “Conflict of Interest Matter” (as defined below) regarding the business of the Trust, the Holding Trust or the Partnership, including but not limited to any related-party transactions or contracts involving the Fund Entities, on the one hand, and the Manager or ALAM, or certain persons related to them, on the other hand.

Approvals under the Policy are required to be a majority of Independent Trustees, unless there are two or less Independent Trustees, in which case the approval must be unanimous.

A “Conflict of Interest Matter” means a situation where a reasonable person would consider that the Manager, the Corporate Trustee or ALAM, or certain persons related to them (including persons who can materially affect the management and policies of the Manager, the Corporate Trustee and ALAM, and certain other related persons to have an interest which may conflict with their ability to act in good faith and in the best interests of the Fund Entities.

The directors and officers of the Manager, the Corporate Trustee, ALAM and the Trustees, shall have an obligation to report any “Conflict of Interest Matters” that they may become aware of to the Independent Trustee(s) as soon as possible to allow the Independent Trustee(s) to consider and make such decisions as they deem necessary. The Independent Trustee(s) will provide an annual report to Unitholders indicating whether they considered any Conflict of Interest Matters and the applicable resolution.

Before taking any action, the Independent Trustee(s) may obtain legal or other advice, as to the effect of its proposed action and the reasonable expenses of such advisors shall be borne by the Partnership as an operating expense. The Trust is not subject to National Instrument 81-107 – *Independent Review Committee for Investment Funds*, and accordingly is not subject to the same regulations as a reporting issuer; however, the Independent Trustee(s) may look to the provisions of National Instrument 81-107 – *Independent Review Committee for Investment Funds* as guidance from time to time.

2.2 Our Business

2.2.1 Industry Overview

Canadian agricultural commodities are priced on a global market. Understanding global demand and supply factors are important as global dynamics influence commodity prices in reference markets. Local demand and supply factors are also equally important to develop a marketing plan and relevant risk management strategies that account for volatility.

Farmland is a finite asset. The Partnership believes the Western world is not adequately protecting farmland from being rezoned for urban expansion, so the quantity of arable land is steadily decreasing. Global population is rising rapidly; estimates have the current world population at 7.6 billion and increasing to 8.6 billion in 2030, 9.8 billion by 2050 and 11.2 billion in 2100¹. These trends result in global arable land per capita steadily declining, causing an acre of arable farmland having to support an increased population². Canada has gone from 5.6 acres of arable land per person in 1961 to 1.2 acres in 2016³. At the same time, the world continues to consume ever greater quantities of food; global kcal per capita per day increased by 5% between 1999 and 2015 and is projected to increase by a further 4% by 2030⁴. The Partnership believes the projected growth in consumption is driven by a rapidly expanding middle class in emerging markets. Globally, the middle class is approximately 30% of the population and estimates are for that number to grow to over 60% by 2030⁵. China and India represent 36% of the world’s population and are projected to have a GDP growth of 6-8% each over 2018 and 2019⁶, driving the growth of the middle class. This increasing prosperity means that there will be an increase in the number of people able to pay for food. As a result, more food will have to be produced using less arable land through more advanced and consolidated farm operations.

¹ UN Department of Economics and Social Affairs (2017), <https://www.un.org/development/desa/publications/world-population-prospects-the-2017-revision.html>

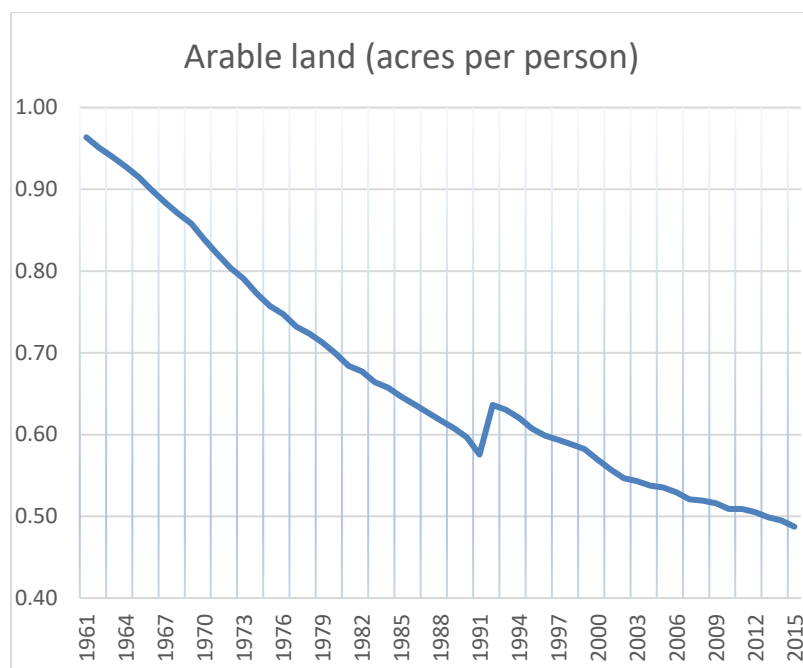
² FAO, World Bank

³ World Bank (2016), <https://data.worldbank.org/indicator/AG.LND.ARBL.HA.PC?end=2014&locations=CA&start=2014&view=bar>

⁴ WHO global and regional food consumption patterns and trends (2003), https://www.who.int/nutrition/topics/3_foodconsumption/en/index2.html

⁵ Brookings Institution: The Unprecedented Expansion of the Global Middle Class (2017), https://www.brookings.edu/wp-content/uploads/2017/02/global_20170228_global-middle-class.pdf, Pages 11-13

⁶ IMF World Economic Outlook (2018), <https://www.imf.org/en/Publications/WEO/Issues/2018/01/11/world-economic-outlook-update-january-2018>



Source: The World Bank (2015)

Note: 1992 - collapse of the Soviet Union and addition of those acres to global records

<https://data.worldbank.org/indicator/AG.LND.ARBL.HA.PC?page=3>

Given the above dynamic, the Partnership believes that with appropriate stewardship, the value of farmland will continue to appreciate over time. By partnering with qualified local operators and collecting rents on a cash basis, the Partnership intends to minimize operational risks and ensure long-term stewardship of the assets.

Based on the global trends discussed above, investment in farmland generally represents an opportunity to benefit from an asset that will likely continue to be in demand. The Partnership further believes that Canada represents a particularly compelling opportunity to take advantage of this asset class.

Saskatchewan is Canada's largest exporter of agricultural products (excluding livestock) with international sales of \$13.6 billion in 2017. Livestock receipts were an additional \$2.2 billion⁷. Steady global demand for canola, oils, wheat, and pulse crops suggests a profitable future for farming. This, combined with a well-funded government insurance program, supports the long-term viability of farming in Western Canada.

Canada's agriculture sector is logistically well-connected to world markets through rail and port facilities that allow it to meet global demand for its products. Canada is a global supplier of pulse crops and Saskatchewan is the largest Canadian producer of lentils and peas. Canada is also the world's leading exporter of durum wheat, flax seed, canola and oats. The markets for these exports are well-diversified, with exports of over \$200 million to each of 12 different countries, including large economies such as the United States, China and India⁸. The Conference Board of Canada ("CBOC") projects an average annual growth rate of 2.3% for the industry with increasing international trade. Furthermore, the CBOC states that there are indications that climate change may have a beneficial influence on the sector. Longer growing seasons and warmer temperatures have allowed farmers in neighbouring Manitoba to begin to add corn to their crop rotations and it is expected that the corn-belt may extend into Saskatchewan. Pulse crops are also seeing increased yields and are being seeded further north each year.

Saskatchewan accounted for more than two-fifths of Canada's total field crop acreage in 2016⁹. This supports the Partnership's business model by confirming that there is a strong demand for rentable farmland in the province, and that Saskatchewan farmers

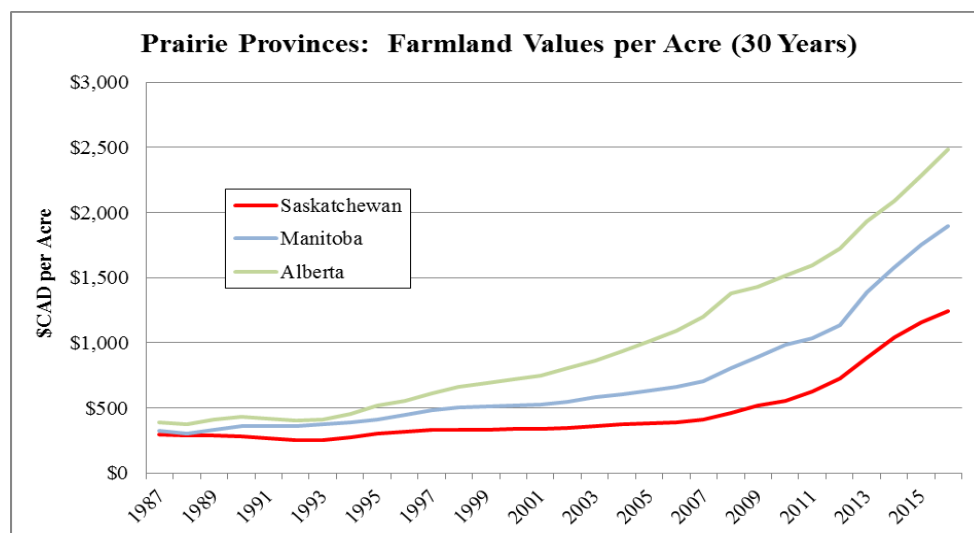
⁷ Saskatchewan Ministry of Agriculture Annual Report for 2017-18, <http://publications.gov.sk.ca/documents/15/107652-2017-18AgricultureAnnualReport.pdf>, Page 11

⁸ Saskatchewan Ministry of Agriculture Annual Report for 2017-18, <http://publications.gov.sk.ca/documents/15/107652-2017-18AgricultureAnnualReport.pdf>, Page 11

⁹ Statistics Canada (2017), <https://www150.statcan.gc.ca/n1/pub/95-640-x/2016001/article/14807-eng.htm>

are generally familiar and comfortable with the lessor-lessee arrangement. Leasing presents farmers with an opportunity to gain land to expand their operations. The recently completed and announced mergers and acquisitions of several large suppliers of agricultural inputs such as seed, fertilizer and herbicide (i.e.: DowDupont Inc., Monsanto-Bayer, Agrium-Potash Co. (now Nutrien Ltd.) and ChinaChem-Syngenta) incentivize farmers to seek out opportunities to increase the scale of their operations to increase negotiating power with these vendors.

The price of Saskatchewan farmland has continued to rise faster than the other Prairie provinces. In 2017, Saskatchewan farmland values increased 10.2%. This compares with 7.5% in 2016, 9.4% in 2015 and 18.7% in 2014. By comparison, Alberta farmland values increased 7.3% in 2017 and 9.5% in 2016, while Manitoba prices increased 5% in 2017 and 8.1% in 2016¹⁰.

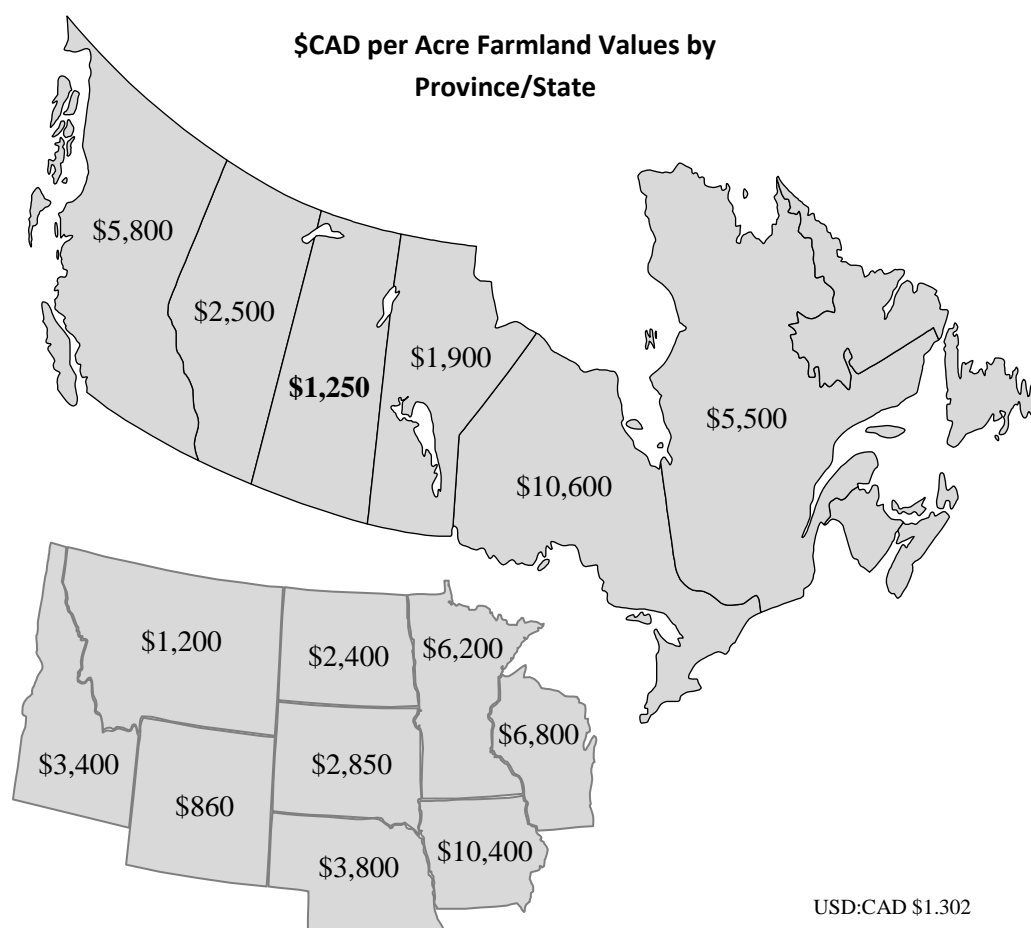


https://static.producer.com/wp-content/uploads/2018/04/26164527/farmland-7071.jpg#_ga=2.197547375.1178615484.1535044384-1665921107.1510610256

Source: Statistics Canada

While Saskatchewan farmland values have been rising, they have remained relatively inexpensive compared to prices in other provinces and the U.S. as shown in the map below/

¹⁰ Farm Credit Canada Farmland Values Report (2017), <https://www.fcc-fac.ca/fcc/about-fcc/reports/2017-farmland-values-report-e.pdf>, Page 13



Source: Statistics Canada
Source: Statistics Canada, USDA-NASS (2016-2017), Bank of Canada

According to the Statistics Canada 2016 Canadian Agricultural Census, the average age of farm operators in Saskatchewan rose to 55 years, and the number of operators 55 years and older increased by 6.6% over the previous census¹¹. The Partnership believes that as the average age of farmers continues to rise, increasing pressure may be applied on the Saskatchewan Farm Land Security Board to relax the current investment restrictions to maximize the value of farm assets. Under that scenario, the Partnership's assets would also rise to values more in line with neighbouring Provinces and States.

As an investment, farmland provides competitive total returns. Over the last 10 years, the return on Saskatchewan farmland has outperformed both the S&P 500 and the TSX Composite Index, while experiencing less than half the volatility¹². While Saskatchewan farmland prices remain well below other Provinces and most nearby States, they have risen dramatically in past few years. If the Saskatchewan farmland "discount" relative to other locations' prices narrows over the life of the Partnership, this will have a positive effect on the business of the Partnership.

As an investment class, farmland shows a very low correlation to other asset classes over long periods, providing opportunities for risk diversification within an investment portfolio¹³. Farmland investment is also a potential hedge against inflation, with a strong correlation to the Consumer Price Index and the Producer Price Index. Returns exceed historical inflation rates¹⁴.

¹¹ Statistics Canada 2016 Canadian Agricultural Census (2016), <https://www150.statcan.gc.ca/n1/daily-quotidien/170510/dq170510a-eng.htm?indid=10441-4&indgeo=8>

¹² Statistics Canada, Toronto Stock Exchange data, S&P 500 index data

¹³ Dr. M. J. Painter (2015), University of Saskatchewan, "Assessing the Required Risk Premium for North American Farmland Investment", http://ageconsearch.umn.edu/bitstream/233857/2/418_Painter_final.pdf, Page 17

¹⁴ TIAA Center for Farmland Research (2013), University of Illinois, https://www.tiaa.org/public/pdf/C11718_Agriculture+Primer_Dec+2013.pdf

2.2.2 Investment Strategy

The business model of the Fund Entities is to indirectly provide Unitholders with capital appreciation through the potential for long-term appreciation in the value of the Agriculture Land Portfolio. See Item 2.2.4 – “Investment Guidelines and Operating Policies”. There is no assurance that the Fund Entities will implement their investment strategies successfully. See Item 8 – “Risk Factors”.

As the Partnership executes on its business plan, it is expected it will continue to source and acquire Canadian farmland. It will continue to grow and diversify its portfolio by region, and parcel size and rent the agricultural lands to local farm operators. Unlike other forms of real estate, quality farmland has a near-zero vacancy rate. For example, in Saskatchewan 17 million acres of farmland are rented, representing 28% of total farm area in the province¹⁵.

The Partnership focuses on three main strategies to create value for investors:

- Strategic use of leverage to maximize investment returns
- Identification of value-add opportunities to increase number of income-producing acres
- Revenue maximization through rents and surface-leases

Canada has well established agricultural infrastructure, low political risk and, most importantly, a stable population of experienced farm operators who are potential lessees for the properties. See Item 2.2.1 – “Industry Overview”. The Partnership enters into cash leases with Operators. Lessees have the option of paying 100% of the rent in advance of the growing season or to split the rent obligation into a spring and winter payment with the winter payment, potentially subject to an interest charge as a condition of the lease agreement. The annual rent is subject to an indemnity against the lessee’s crop insurance. Lessees are responsible for all agriculture related expenses including but not limited to field preparation and all crop inputs.

The Partnership has identified 3 main groups of potential lessees:

- Farmer sale and lease-back. Some aging operators may choose to monetize their assets to finance retirement preparations, yet prefer to continue to farm the land for a time. A sale and lease-back arrangement with the Partnership provides that opportunity. According to the Statistics Canada 2016 Canadian Agricultural Census, the average age of farm operators in Saskatchewan rose to 55 years, and the number of operators 55 years and older increased by 6.6% over the previous census¹⁶.
- Farmers wanting to expand their operations to gain economies of scale, but who do not have access to the required capital. In growing their farms through leasing, they can spread their fixed costs over increased crop revenues.
- Farmers who are already renting but whose landlords may not be interested in holding the land any longer. In situations such as this the Partnership has the opportunity to acquire the property and step in as the landlord. This provides a seamless transition and stability for the farmers; the Partnership further benefits by securing long term, experienced lessees.

The Partnership is actively seeking potential for capital improvement activities on the land in order to increase cultivable acres and farming efficiencies, thus increasing rent potential. The Partnership will take recommendations from lessees and field agents of the Agriculture GP and assess the economic benefit to the Partnership in selecting which projects to fund.

The Partnership uses leverage to maximize investors’ exposure to expected appreciation in land values. Cash rent is used to offset expenses and debt service.

The Partnership began operations in December 2016 and, as of the date of this Offering Memorandum, has acquired 21 parcels of income-producing assets in Saskatchewan totaling 28,782 acres of agricultural real estate. The Partnership has 4,914 additional acres under contract. These transactions are expected to close by April 30, 2019.

For each acquisition, the Agriculture GP will complete in-depth financial, legal and physical due diligence. The typical due diligence process can take 45 days to complete and includes the following:

¹⁵ Statistics Canada 2016 Canadian Agricultural Census (2016), <https://www150.statcan.gc.ca/t1/tb11/en/tv.action?pid=3210015201>

¹⁶ Statistics Canada 2016 Canadian Agricultural Census (2016), <https://www150.statcan.gc.ca/n1/daily-quotidien/170510/dq170510a-eng.htm?indid=10441-4&indgeo=8>

Site Assessment

- Configuration: how close are individual quarter sections to each other (i.e.: are the quarter sections contiguous)
- Are there any assets over and above the land: houses, storage sheds, grain bins, etc.
- Location: soil quality, availability of agricultural infrastructure
- Rental analysis: assess local rent rates and availability of lessees
- Consolidation: proximity to other owned assets
- Topography: ease of farming, effectiveness of drainage

Investment Assessment

- Comparable historical sales
- Attainable rent
- Internal rate of return: purchase price, property taxes
- Other revenue sources: wind / solar generation leases, oil and gas surface leases
- Loan-to-Value ratio: debt service coverage ratio
- Geographic diversification of the portfolio

The Agriculture GP will then: (i) seek debt financing terms from lenders; (ii) finalize the financial, physical and legal due diligence processes; and (iii) finalize the acquisition of the real estate property for the Partnership.

The personnel of the Manager and ALAM, who are retained by the Partnership under the Management Agreement and the Services Agreement, have extensive experience in all aspects of the real estate ownership and operating business (including acquisitions, financings, reporting and administration). This skillset allows the Partnership to actively increase its agricultural real estate asset portfolio and deliver predictable cash flows.

The Fund Entities can leverage the experience and skill sets of each of the Manager and ALAM. ALAM employs a diverse team of executives, financial analysts, lawyers and fund accountants. This all-inclusive platform provides strategic oversight and property-level-execution capabilities. The Fund Entities could not financially justify creating such a resource on their own. What gives the Fund Entities a strategic advantage over its competitors is in-house access to this group of experts on an as-needed basis. The Manager and ALAM will provide the following to the Fund Entities:

- a. Internal Financial Reporting: The Manager will employ prudent financial tools to maximize the Partnership's income and measure the effectiveness of cost control and efficiency programs. The Manager will communicate internal financial reporting to those involved who can impact the financial success and control of those incomes and expenses.
- b. Strategic Debt Management: The Manager will actively seek out financing terms and arrangements that optimize the Partnership's levered investment returns.
- c. Strategic Market Relationships: The Manager will explore strategic relationships with investment partners who share the vision and investment strategy of the Partnership. This may include joint venture and co-investment opportunities, off-market asset and portfolio acquisition opportunities, and divestiture opportunities.
- d. Strategic Value Enhancing Initiatives: The Manager will continue to evaluate and monitor return-enhancing initiatives. This may include land improvements related to brush removal or field drainage. The Partnership will cooperate with outside initiatives that require Partnership lands such as wind / solar farm projects, resource development projects and oil and gas surface leases to the extent that they add income and value to the Partnership. The Manager may also recommend selling individual land parcels that do not add value for the Partnership.

2.2.3 Business Model

The Partnership is in the business of acquiring, holding and leasing agricultural real estate in Western Canada, with a primary focus in the Province of Saskatchewan. The Partnership holds a Farm Ownership Exemption Order granted by the Farm Land Board of Saskatchewan, allowing the Partnership to acquire agricultural real estate through a trust structure. The Partnership does not intend to directly undertake farming operations. The Partnership's business model offers attractive and stable returns through annual income and asset value appreciation. The Partnership intends to maximize investment returns through the strategic use of leverage of up to 75% loan-to-value. The Partnership expects predictable short-term cash flow with increasing rental income over the long term, while holding the properties as an investment with a view towards capital appreciation over the term of the Partnership.

Year	Development of the Partnership	Net Asset Value ⁽²⁾	Avenue Living Agricultural Land Trust Returns ⁽¹⁾
2018	Partnership established and operating efficiently	\$1.16	14.9%
2017	Inaugural Year of operations of the Partnership	\$1.01	6.3%
2016	Partnership formed in Dec 2016	\$0.95 ⁽³⁾	N/A

Notes:

- (1) The Year-Over-Year Returns are calculated as follows: (current year NAV minus previous year NAV) divided by previous year NAV. For example, the Year-Over-Year Returns for 2018 was calculated as follows: (\$1.16 minus \$1.01) divided by \$1.01 = 14.9%
- (2) The net asset value in the above table is calculated as the net assets attributable to unitholders divided by the number of Class A Units outstanding as at December 31st.
- (3) The net asset value for 2016 includes an additional 5% of Class A Units that were issued to early investors for no additional consideration, which resulted in a NAV for December 31, 2016 that is lower than the initial \$1.00 subscription amount on a per unit calculation.

The Partnership's strategy is to target returns greater than Saskatchewan land appreciation by strategically pursuing the following value and income generating operations:

- a. Leasing the land to local farm operators on a cash rent basis, leaving the business and risk of farming to operators. The Partnership will further mitigate its risk by structuring leases such that up to 100% of the rent will be paid each spring. Lessees will have the option of paying 100% of the rent in advance of the growing season, or to split the rent obligation into a spring and winter payment with the winter payment potentially subject to an interest charge as a condition of the lease agreement. The annual rent is subject to an indemnity against the lessee's crop insurance.
- b. The Partnership may also engage in land reclamation projects on its properties to increase arable acres and inherent farming efficiencies. The consequence of reclaiming waste acres increases the value of the property and the amount of rent that can be collected. The Partnership will consider options proposed by its field agents and its lessees and will determine which projects to fund based on the economic benefit to the Partnership.
- c. Additional returns may also be derived from enhancements to land value through capital improvements, the consolidation of land into larger contiguous blocks, or incremental income provided by surface lease revenue, subdivision of land parcels, and "green" initiatives such as wind or solar farms, water rights or carbon credit marketing.

Factors contributing to asset value appreciation:

- Long term capital appreciation
- Decrease in the land price difference between Saskatchewan and the rest of North America
- Reclaiming waste acres by removing bush/treed areas and draining small bodies of water
- Revenue from wind power projects
- Revenue from oil and gas surface leases
- Sale or rental of farm yard sites (acreages)

The Partnership has identified the following perceived risks associated with farmland and has adopted the investment and operational strategies below to mitigate them for investors.

Potential Risk:

Weather – short term

Mitigation Action:

- Cash rents with minimum of 50% paid before the growing season
- No operations
- Lessee required to carry crop insurance indemnifying the Partnership for any unpaid portion of rent

Weather – long term

- Geographic diversification

Commodity prices – short term

- Cash rents with minimum of 50% paid before the growing season
- No operations
- Lessee required to carry crop insurance indemnifying the Partnership for any unpaid portion of rent

Commodity prices – long term	<ul style="list-style-type: none"> • Saskatchewan land price discount in comparison to neighboring provinces
Lessee use of Best Farming Practices	<ul style="list-style-type: none"> • Longer lease durations • Property manager monitors for weed control and appropriate nutrient / fertilizer usage • Low till farming practices (except for organic farmers)
Crop concentration among types	<ul style="list-style-type: none"> • Standard crop rotation practices provide diversification • Multiple lessees geographically dispersed result in crop diversification

2.2.4 *Investment Guidelines and Operating Policies*

The Fund Entities intend to invest the proceeds from the Offering in suitable land assets as soon as commercially reasonable following a Closing, and in any event within 90 days following a Closing.

The Fund Entities will be guided by the following investment guidelines:

1. the Partnership will focus on the acquisition of agricultural real estate assets in Western Canada, with a primary focus in the Province of Saskatchewan, although the Partnership may also invest in other Canadian provinces, all in accordance with the Investment Strategy. See Item 2.2.2 – Investment Strategy;
2. No Partnership investment shall be made that would result in the Trust ceasing to qualify as a “mutual fund trust” for purposes of the Tax Act; acquired;
3. unless otherwise permitted in the Trust Deed, the Trust will not directly or indirectly, hold securities other than:
 - a. Holding Trust Units;
 - b. temporary investments held in cash, deposits with a Canadian or U.S. chartered bank or trust company registered under the laws of a province of Canada; or
 - c. short-term government debt securities or in money market instruments of, or guaranteed by a Schedule I Canadian chartered bank maturing prior to one year from the date of issue;
4. no investment will be made, directly or indirectly, in operating businesses unless such investment is incidental to a transaction:
 - a. where revenue will be derived, directly or indirectly, principally from the Investment Strategy (See Item 2.2.2 – Investment Strategy); or
 - b. which principally involves the ownership and leasing of agricultural real estate; and
5. no investments will be made in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property,

provided that for the purpose of the foregoing guidelines, the assets, liabilities and transactions of a corporation, trust or other entity wholly or partially owned by the Partnership will be deemed to be those of the Partnership on a proportionate consolidation basis. In considering the foregoing restrictions, each investment shall be assessed immediately prior to investment. For greater certainty, restrictions (1) through (5) are intended to set out generally the investment guidelines under which the Partnership shall operate.

The operations and affairs of the Partnership are to be conducted in accordance with the following operating policies, which have been formally adopted by the Partnership:

1. The Partnership shall have an overall loan-to-value ratio for the Partnership’s land assets on a consolidated basis of 75% or less;
2. The loan-to-value ratio for any single property acquired by the Partnership shall not exceed 75%;
3. Title to each Property shall be held by and registered in the name of the General Partner, or in the name of a corporation or other entity owned, directly or indirectly, by the Partnership or jointly-owned, directly or indirectly, by the Partnership, with joint venturers or a corporation which is a nominee of the Partnership which holds as its only property registered title to such real property pursuant to a nominee agreement with the Partnership;

4. Unless with the prior approval of the General Partner, the Partnership shall not, directly or indirectly, guarantee any indebtedness or liabilities of any kind of a third party, except indebtedness, liabilities or other obligations of any subsidiary of the Partnership or other entity wholly-owned by the Partnership;
5. At all times insurance coverage will be obtained and maintained in respect of potential liabilities of the Partnership and the accidental loss of value of the assets of the Partnership from risks, in amounts and with such insurers as the General Partner considers appropriate, taking into account all relevant factors including the practices of owners of comparable land assets;
6. An environmental warranty shall be secured from the seller for each real property to be acquired by the Partnership; and
7. The Fund Entities may engage the services of a manager or administrator and have, as of the date hereof, engaged the Manager and ALAM pursuant to the terms and conditions of the Management Agreement and the Services Agreement, respectively (See Item 2.7.4 – “Management Agreement” and “Services Agreement”),

provided that for the purposes of the foregoing investment guidelines and operating policies, the assets, indebtedness, liabilities and transactions of a corporation, partnership or other entity wholly or partially owned by the Partnership will be deemed to be those of the Partnership on a consolidated basis.

2.2.5 Farm Ownership Exemption Order

In 2016 the Fund Entities applied to the Farmland Board for an exemption under the Farmland Act in order to permit ownership of Saskatchewan farm land through the trust structure of Fund Entities. On June 23, 2016 the Farm Land Board granted Fund Entities an exemption order.

The terms of the Farm Ownership Exemption Order permit the Fund Entities to acquire an aggregate land holding in Saskatchewan in excess of 10 acres upon the following conditions:

1. That no securities of any of the Fund Entities be listed on an exchange;
2. That each of the unitholders of each of the Fund Entities must be either:
 - a. A Canadian citizen;
 - b. A permanent resident of Canada within the meaning of the *Immigration and Refugee Protection Act* (Canada);
 - c. A corporation or any other entity in which all the shares or interests are legally and beneficially owned, and all the memberships are held, by resident persons or other Canadian-owned entities; or
 - d. A trust where each of the beneficiaries of such trust is either a Canadian citizen, permanent resident or Canadian-owned entity.
3. That the maximum subscription capital raised shall not exceed \$50,000,000.

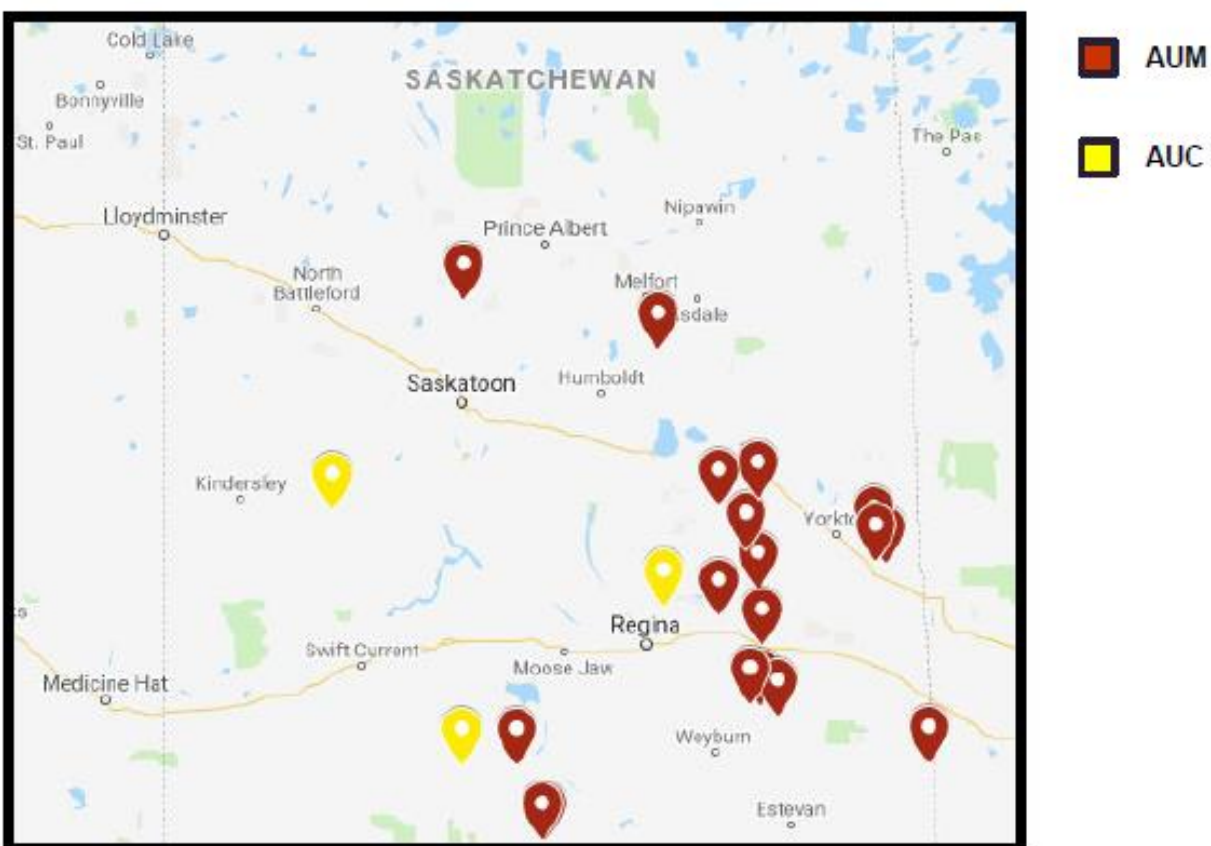
2.2.6 The Agricultural Lands Portfolio

The existing portfolio of agricultural real estate assets owned by the Partnership represents a source of reasonable cash flow and provides an opportunity for capital appreciation. The current land assets that make up the Agricultural Land Portfolio represent a well-diversified portfolio of farmland in Saskatchewan.

Location	Acquisition Date	Total Acres	Arable Acres
Naicam, SK	28-Mar-17	1,226	1,090
Abernethy, SK	10-Mar-17	282	219
Balcarres, SK	30-May-17	4,335	3,325
Creelman, SK	24-May-17	2,457	1,762
Creelman, SK	15-Jun-17	1,752	1,551
Rockglen, SK	20-Jun-17	2,385	1,805
Rockglen, SK	24-Jul-17	451	360
Blain Lake, SK	15-Nov-17	823	659
Calder, SK	15-Nov-17	319	160

Calder, SK	15-Dec-17	1,548	1,313
Indian Head, SK	15-Dec-17	945	752
Stornoway, SK	15-Dec-17	1,073	890
Churchbridge, SK	30-Mar-18	782	664
Griffin, SK	30-Jun-18	626	490
Bankend, SK	19-Jul-18	730	658
Saltcoats, SK	26-Jul-18	800	610
Assinaboia, SK	13-Dec-18	965	733
Qu'Appelle, SK	13-Dec-18	302	252
Antler, SK	15-Dec-18	1,605	1,280
Foam Lake, SK	22-Jan-19	1,739	1,375
Lafleche, SK	28-Feb-19	3,637	3,510
TOTAL	-	28,782	23,458

The Agricultural Land Portfolio currently consists of 28,782 acres of agricultural real estate. Please refer to the Net Asset Value of the Trust shown in the table in Section 2.2.3 to see the year-over-year growth in the value of the assets of the Trust on a per Unit basis. All the land assets owned by the Partnership are managed by the General Partner. The properties owned (AUM) and under contract (AUC) by the Partnership as of February 1, 2019 are located in the following areas:



The loan-to-value of the Agricultural Land Portfolio as of February 18, 2019 was 54.5%.

2.2.7 *No Planned Liquidity Event*

An investment in the Class C Trust Units should be considered a long-term investment. It is intended that the Fund Entities will be wound-up and cease on December 31, 2023, subject to a possible extension of up to two additional years if the General Partner determines that it is in the best interests of the Partnership to do so, with such determination to be evidenced by (i) the unanimous approval of the Independent director(s) of the General Partner and (ii) the approval of a majority of the other directors of the General Partner. Investors will not have any expected liquidity event in the short-term. While the Class C Trust Units have rights of redemption, those rights are subject to certain restrictions. As such, the Class C Trust Units represent an illiquid investment. See Item 2.7.3 – “Termination of the Partnership”.

The terms and conditions of the Exemption Order prohibit the Fund Entities from: (i) completing an initial public offering of any kind; or (ii) listing the Trust Units, Holding Trust Units or Partnership Units on a stock exchange or quotation system of any kind. See Item 2.2.5 – “Farm Ownership Exemption Order”.

There is currently no market through which the Class C Trust Units may be sold and Investors may not be able to resell Class C Trust Units purchased under this Offering. See Item 8 – “Risk Factors” and Item 2.7.2 – “Trust Deed”.

2.3 **Development of Business**

2.3.1 *Development of the Business of the Fund Entities*

Since its formation on December 2, 2016, the Trust has raised approximately \$10,000,000 through the issuance of Class A Units. The Class A Units have been issued under available prospectus exemptions to friends and family of management and accredited investors.

Since formation, the Fund Entities have incurred costs in connection with the Offering and have been engaged in activities in preparation for the Offering, which have included, among other things: (a) putting in place a management team; (b) consulting with financial and legal advisors and real estate brokers; and (c) preparing offering documents and the agreements discussed in this Offering Memorandum.

In 2016 the Fund Entities applied to the Farm Land Board for an exemption under the Farm Land Act in order to permit ownership of Saskatchewan farm land through the trust structure of Fund Entities. On June 23, 2016 the Farm Land Board granted Fund Entities an exemption order. See Item 2.2.5 – “Farm Ownership Exemption Order”.

Since its formation on December 2, 2016 the Partnership has closed on 21 parcels of land in 18 different Rural Municipalities in Saskatchewan for a total of 28,782 acres under management. The assets have an appraised value of approximately \$37 million.

A further 2 parcels are under contract for purchase totalling 4,914 acres. The Partnership has also identified through various means several other opportunities in Saskatchewan that the Agriculture GP believes meet investment criteria. In the last 24 months the Trust has successfully raised over \$10 million in equity.

2.4 **Long Term Objectives**

The Trust’s long-term objectives are:

- a. to conduct the Offering, including the issue and sale of the Class C Trust Units (for a breakdown of anticipated costs see Item 1.1 – “Funds”);
- b. to acquire and establish (through the Partnership) a portfolio of agricultural lands in Western Canada, with a primary focus in the Province of Saskatchewan;
- c. to maximize rental income in accordance with the Investment Strategy (see Item – “Investment Strategy”);
- d. to optimize the Trust’s capital structure, through the replacement of high interest debt with lower cost debt and additional equity (see Item 2.2.6 – “Investment Strategy”); and
- e. to earn, allocate and distribute to Unitholders capital appreciation and income derived from the investment in the Partnership (see Item 2.7.3 – “Termination of the Partnership”).

The time and cost to complete these events cannot be confirmed until the Partnership identifies suitable lands to acquire. There is no assurance that any of these events will occur. Not all of the specific properties in which the Partnership intends to invest have not been identified as of the date of this offering memorandum. See Item 8 – “Risk Factors”.

2.5 Short Term Objectives and How We Intend to Achieve Them

The objectives of the Fund Entities for the 12 months following the date of this Offering Memorandum are discussed below.

<u>What we must do and how we will do it</u>	<u>Target completion date or, if not known, number of months to complete</u>	<u>Our cost to complete</u>
Raise up to \$40,000,000 under the Maximum Offering ⁽¹⁾	Ongoing	For a breakdown of anticipated costs see Item 1.1 – Funds
Partnership to identify, acquire and lease agricultural lands primarily in the Province of Saskatchewan in accordance with the Investment Strategy (see Item 2.2.7 – Investment Strategy) ⁽²⁾	Ongoing. As soon as the Partnership has sufficient funds to acquire land assets and have identified suitable properties for acquisition	See Note 3 below.
Improve weighted-average cost of capital and leverage ratios by raising equity under the Offering and refinancing high interest debt at lower costs	Ongoing	For a breakdown of anticipated equity raise costs see Item 1.1 – Funds. Costs associated with refinancing will be identified on a case by case basis.

Notes:

1. The combined aggregate proceeds from the sale of the Class C Trust Units shall not exceed \$40,000,000 unless waived by the Manager. The net available funds from that offering, assuming the completion of the Maximum Offering are expected to be \$36,400,000.
2. To capitalize the Partnership, the Trust will use the Available Funds from the Offering to subscribe for Holding Trust Units in the Holding Trust. The Holding Trust will in turn use the proceeds raised from the sale of Holding Trust Units to subscribe for LP Units. The Partnership will, in turn, use the funds available to it to acquire agricultural lands in Western Canada in accordance with the Investment Strategy.
3. The time and cost to complete this event cannot be confirmed until the Partnership identifies suitable additional land assets to acquire. For information concerning the Partnership's property investment strategy, see Item 2.2.2 – "Investment Strategy".

2.6 Insufficient Funds

The Available Funds may not be sufficient to accomplish the Fund Entities' proposed objectives and there is no assurance that alternative financing will be available. There is no assurance that the Fund Entities will have adequate working capital to meet the anticipated requirements described in this offering memorandum. See Item 8 – "Risk Factors".

2.7 Material Agreements

The following summarizes all material agreements in effect as at the date of this Offering Memorandum or expected to be entered into upon the first Closing Date that are material to the Fund Entities. The descriptions of the material agreements set out below and elsewhere in this Offering Memorandum are summaries only, and are expressly qualified by reference to the full text of such material agreements. Prospective subscribers may review a copy of each material agreement described herein that is in effect during normal business hours at the offices of the Manager located at Suite 400, 4820 Richard Road SW, Calgary, Alberta. Copies of such material agreements are available free of charge upon request by contacting the Manager at sallchurch@avenueliving.ca.

2.7.1 Trust Deed

The rights and obligations of Unitholders are governed by the Trust Deed. **The following is a summary only of certain terms in the Trust Deed which, together with other summaries of additional terms of the Trust Deed appearing elsewhere in this Offering Memorandum, are qualified in their entirety by reference to the actual text of the Trust Deed, a review of which is recommended to Subscribers.** Also see Item 2.1 – "The Trust".

The Trust Deed was entered into on December 2, 2016 between Robert Verbuck, as the Settlor, Anthony Giuffre, as the initial trustee, and Robert Verbuck as the initial unitholder. The Trust Deed was amended on November 9, 2017 to provide for the change of name of the Trust from "AgriSelect Land Capital Income Fund" to "Avenue Living Agricultural Land Trust". The Trust Deed was further amended on March 11, 2019 in order to clarify inconsistencies in certain provisions.

Purpose of the Trust

The Trust was created primarily for the purpose of investing its funds in Holding Trust Units and other investments as the Trustees may determine. The Trust may also temporarily hold cash in accounts and short-term investments in limited circumstances.

Rights of Unitholders

The rights of each Unitholders are limited to those contained in the Trust Deed, as, except as provided in the Trust Deed, no Unitholder is entitled to call for any partition or division of the assets of the Trust or for a distribution of any particular asset or money or funds received by the Trustees. The legal ownership of the assets of the Trust and the right to conduct the activities of the Trust, except in limited circumstances provided in the Trust Deed, are vested exclusively in the Trustees and no Unitholder has any right of ownership in the assets of the Trust. No Unitholder is entitled to interfere with or give any direction to the Trustees with respect to the affairs of the Trust or in connection with the exercise of any powers or authority conferred upon the Trustees under the Trust Deed.

Liabilities of Unitholders

The Trust Deed provides that no Unitholder shall be subject to any liability in connection with the ownership of the Fund's assets and the activities of Trust or any acts or omissions of the Trustees. Further, no Unitholder is required to indemnify the Trustees with respect to such liabilities. Also see Item 8 – "Risk Factors".

Unitholders Bound by Trust Deed

The Trust Deed is binding upon anyone who becomes a Unitholder, as well as the holders of other securities issued by the Trust. Upon completion of a purchase or acquisition of Trust Units, the holder of such Trust Units is deemed to have agreed to be bound by the Trust Deed.

Creation, Issue and Sale of Units

The beneficial interests in the Trust are divided into classes of Trust Units. The Trustees may, from time to time in their sole discretion, issue Trust Units in one or more class. The Trustees are required to fix the class, designation, rights, privileges, restrictions and conditions to the Trust Units, provided that in the opinion of the Trustees such terms and conditions do not materially adversely affect the interests of those who are Unitholders at the time of the issuance of the Trust Units.

There are no pre-emptive rights associated with the Trust Units and, with the exception of the warrants described in Section 4.1, no person is entitled, as a matter of right, to subscribe for or purchase any Trust Units.

Distributions

For details regarding distributions to Unitholders, see Item 5.1.2 – "Class C Trust Units – Cash Distributions".

Redemption of Trust Units

For details regarding the redemption of Trust Units, see Item 5.1.2 – "Class C Trust Units – Redemption of Trust Units".

Appointment, Resignation and Removal of Trustees

The current Trustees of the Trust are empowered to appoint additional trustees of the Trust. Except in limited circumstances, trustees are appointed to hold the office of trustee until a successor trustee has been appointed or he or she ceases to hold office. A majority of the Trustees must be resident of Canada at all times. A trustee may resign upon giving not less than 90 days' notice. Any trustee(s) may be removed from office for cause by resolution passed by not less than two-thirds of the remaining Trustees.

Powers of the Trustees

Subject to specific limitations contained in the Trust Deed, the Trustees have full, absolute and exclusive power, control and authority over the Trust's assets and the affairs of the Trust to do all acts that in their sole judgement are necessary for carrying out the trust created under the Trust Deed.

In addition to the Trustee's general power and authority, some of the specific powers of the Trustees include the power and authority to:

- (a) Appoint additional trustees;
- (b) Fix the class designation, rights, privileges, restrictions and conditions to the Units;
- (c) Accept subscriptions for Trust Units and to issue Trust Units pursuant to such agreements;
- (d) Pay commissions;

- (e) Maintain books and records;
- (f) Provide reports to Unitholders;
- (g) Effect payment of distributions to Unitholders;
- (h) Grant security interests, mortgage and transfer the Trust's assets; and
- (i) Employ administrators, employees, consultants, accountants, lawyers, engineers or others.

Standard of Care and Limitations on Liability of Trustees

The Trustees are required to exercise their powers and carry out their functions honestly, in good faith and in the best interests of the Trust and the Unitholders. Subject to this standard of care, diligence and good faith, none of the Trustees, nor any director, officer, employee or agent is subject to any liability in connection with the Trust's assets or the affairs of the Trust.

Amendment of the Trust Deed

The provisions of the Trust Deed generally may only be amended by the Trustees with the consent of the Unitholders (voting together as a single class) evidenced by a Special Resolution. However, the Trust Deed may be amended by the Trustees, without the approval of the Unitholders for the purpose of:

- (a) making amendments which, in the opinion of the Trustees, are necessary in order for the Trust to qualify or continue to qualify as a "mutual fund trust" for the purposes of the Tax Act;
- (b) appointing additional Trustees to act as trustees of the Trust;
- (c) making amendments which, in the opinion of the Trustees, are necessary and desirable in order for the Trust not to qualify or cease to qualify as a "SIFT trust" within the meaning of section 122.1 of the Tax Act;
- (d) ensuring continuing compliance with applicable laws (including the Tax Act), regulations, requirements or policies of any governmental authority having jurisdiction over the Trustees or the Trust;
- (e) making amendments which, in the opinion of the Trustees, provide additional protection or added benefits for the Unitholders;
- (f) removing any conflicts or inconsistencies in the Trust Deed or making minor changes or corrections including the correction or rectification of any ambiguities, defective provisions, errors, mistakes or omissions, which are, in the opinion of the Trustees, necessary or desirable and not prejudicial to the Unitholders;
- (g) making amendments which, in the opinion of the Trustees, are necessary or desirable and in the interests of the Unitholders as a result of changes in taxation laws or policies of any governmental authority having jurisdiction over the Trustees or the Trust;
- (h) for any purpose whatsoever (except one in respect of which a vote by Unitholders is specifically otherwise required) if the Trustees are of the opinion that the amendment does not materially adversely affect the Unitholders and is necessary or desirable; or
- (i) to provide for the electronic delivery by the Trust to the Unitholders of documents relating to the Trust (including annual and quarterly reports and financial statements and proxy-related materials) in accordance with applicable laws.

Meetings of Unitholders

The Trust is not required to hold regular annual meetings of Unitholders and the Trustees do not intend to hold such meetings. Special meetings of Unitholders may be called at any time by the Trustees for any purpose and shall be called upon the written request of Unitholders holding in the aggregate not less than 20% of all votes entitled to be voted at any meetings of the Unitholders.

Unitholders may attend and vote at all meetings of unitholders of the Trust either in person or by proxy and a proxyholder need not be a unitholder of the Trust. At any meeting of Unitholders, a quorum consists of two or more individuals present in person either holding personally or representing by proxy not less in aggregate than 10% of the votes attached to the total of the units of the Trust then outstanding and entitled to vote at the meeting.

Appointment of Inspector

The Trustees are required to call a meeting of Unitholders upon the written request of Unitholders holding in the aggregate not less than 20% of all votes entitled to be voted at the meeting for the purpose of considering the appointment of an inspector to investigate the performance by the Trustees of their responsibilities and duties in respect of the Trust (the "**Inspector**"). If the Trustees do not

call a meeting within 30 days after receiving a valid written request, any Unitholder who signed the request may call such a meeting. An Inspector may be appointed for such purpose, at the expense of the Fund, at such meeting by a resolution approved by a majority of the votes cast at the meeting. The Inspector does not have any powers that are inconsistent with the Trust Deed, as may be conferred upon him or her at the meeting at which the Inspector is appointed, but in all events shall not have any powers to act in any capacity as a Trustee or in place or instead of the Trustees in any manner under the Trust Deed.

Transfer of Units

For a description of the transferability of the Trust Units, see Item 5.1.2 – “Class C Trust Units – Transfer of Trust Units”.

Take-Over Bids

The Trust Deed contains provisions relating to takeover bids made to acquire Units. Under the Trust Deed, if a takeover bid is made to acquire Trust Units and at least 90% of the Trust Units on a fully diluted basis (other than Units beneficially owned, or over which control or direction is exercised, on the date of the takeover bid, by the offeror or affiliates or associates of the offeror or any person or company acting jointly or in concert with the offeror) are taken up and paid for by the offeror then the offeror will be entitled to acquire the Trust Units held by Unitholders who did not accept the takeover bid on the terms offered by the offeror, pursuant to the procedures set out in the Trust Deed. The Trust Deed does not provide a mechanism for Unitholders who do not tender their Trust Units to a takeover bid to apply to a court to fix the fair value of their Trust Units.

Power of Attorney

Upon becoming a Unitholder, each Unitholder pursuant to the Trust Deed grants to the Trustees a power of attorney constituting the Trustees with full power of substitution to act on his or her behalf, with full power and authority in his or her name, to execute, deliver, make or file, as required:

- (a) the Trust Deed, any amendment or supplement to the Trust Deed and any other instrument required or desirable to qualify, continue and keep in good standing the Trust as a mutual fund trust;
- (b) any instrument, deed, agreement or document in connection with carrying on the activities and affairs of the Trust as authorized in the Trust Deed, including all conveyances, transfers and other documents required to facilitate any sale or disposition of Trust Units required by the Trust Deed;
- (c) all conveyances and other documents required in connection with the dissolution or liquidation of the Trust in accordance with the terms of the Trust Deed;
- (d) any and all elections, determinations or designations, whether jointly with third parties or otherwise, under the Tax Act or any other taxation or other legislation or similar laws of Canada or of any other jurisdiction in respect of the affairs of the Trust or of a Unitholder's interest in the Trust;
- (e) any instrument, certificate and other documents necessary or appropriate to reflect and give effect to any amendment to the Trust Deed; and
- (f) all transfers, conveyances and other documents required to facilitate the acquisition of Units of non-tendering offerees pursuant to a take-over bid.

Term of the Trust

The Trust will continue until December 31, 2023 or such other time as determined by the Trustees having regard to the termination of the Partnership. An extension of the term of the Trust beyond December 31, 2025 requires the unanimous approval of the Independent Trustees. For the purpose of terminating the Trust by such date, the Trustees will commence winding-up the affairs of the Trust on such date as may be determined by the Trustees.

Meetings of Trustees

Meetings of the Trustees are required to be called and held from time to time at such times and places (within Canada) as determined by the Trustees.

2.7.2 *Holding Trust Deed*

The rights and obligations of holders of the Holding Trust Units are governed by the Holding Trust Deed. It is expected that the only holder of Holding Trust Units will be the Trust.

The Holding Trust Deed was entered into on December 2, 2016 between Robert Verbuck, as the Settlor, the Corporate Trustee, as the initial trustee, and Robert Verbuck as the initial unitholder. The Holding Trust Deed was amended on November 9, 2017 to provide for the change of name of the Holding Trust from “AgriSelect Land Holding Trust” to “Avenue Living Agricultural Land Holding Trust”.

The provisions of the Holding Trust Deed are, in all material respects, identical to those contained in the Trust Deed that is applicable to the Trust and described above in Section 2.7.2 under the heading “Trust Deed”.

2.7.3 *Partnership Agreement*

The Partnership Agreement was entered into on December 2, 2016 between Anthony Giuffre, as initial limited partner, and Agriculture GP, as general partner. The Partnership Agreement was amended on November 9, 2017 to provide for the change of name of the Partnership from “AgriSelect Land Opportunity Fund Limited Partnership” to “Avenue Living Agricultural Land Limited Partnership”.

The Partnership Agreement provides for the terms and conditions governing the Partnership, a summary of which is set out below.

Formation of the Partnership

The Partnership was formed as a limited partnership pursuant to the Partnership Act on December 2, 2016 and shall continue until December 31, 2023, unless extended in accordance with the Partnership Agreement. See “*Termination of the Partnership*”.

Business and Purpose of the Partnership

The business and purpose of the Partnership as provided for under the Partnership Agreement is acquire, lease and sell agricultural land anywhere in Canada, as well as all matters and activities which are ancillary and directly related to such business and purpose. See Item 8 – “*Risk Factors – Ancillary Business Activities*”.

Authority of the General Partner

Agriculture GP, as the general partner, is authorized to carry on the business of the Partnership, with full power and authority to administer, manage, control and operate the Partnership business. The general partner is given all power and authority to take any actions needed for carry on the Partnership’s business on behalf of the Partnership.

Removal of Resignation of the General Partner

The general partner of the Partnership may resign at any time on not less than 90 days written notice to the limited partners, provided that the effect of such resignation is not to dissolve the Partnership or constitute the Partnership as a general partnership. The general partner is also deemed to have resigned in certain circumstances, such as the insolvency of the general partner.

The general partner may be removed at any time by an extraordinary resolution (2/3 approval) of the limited partners, provided that such resolution also appoints a new general partner as successor.

Reimbursement of the General Partner

The Partnership is required to reimburse the general partner for all Partnership expenses incurred by the general partner in the performance of its duties.

Powers of the General Partner

In addition to the power of the general partner to carry on the Partnership’s business, the general partner is also authorized to:

- (a) exercise all or any of the powers of an administrative, accounting or valuation nature or of an operational nature;
- (b) acquire and take control of real or personal property;
- (c) enter into multi-year lease agreements for agricultural crop growth;
- (d) borrow money and incur indebtedness;

- (e) mortgage or pledge all or any of the property of the Partnership;
- (f) sell, exchange, distribute or otherwise dispose of the Partnership's property;
- (g) appoint, employ, contract or consult with any person to act in any capacity, including entering into a management agreement to provide for the management of the Partnership;
- (h) file tax returns and make tax elections;
- (i) collect all sums of money due to the Partnership;
- (j) determine accounting methods and the fiscal year end;
- (k) value the property of the Partnership;
- (l) appoint an auditor for the Partnership;
- (m) indemnify of other parties; and
- (n) enter into contracts.

Limited Partnership Units

The interests of the limited partners in the Partnership are divided into units. In addition to the Class A LP Units, the General Partner may, from time to time and at its sole discretion, issue units in one or more class. The General Partner is required to fix before the issuance of such units, the class, designation, rights, privileges, restriction and conditions to the new units issued.

Each Class A LP Unit is entitled to one vote per unit at all meetings of limited partners. The number of Class A LP units which may be issued is unlimited and such Class A LP Units shall be issued at a price to be determined by the General Partner.

Calculation of Net Asset Value of the Partnership

The General Partner is required to calculate the net asset value of the Partnership at a minimum once per quarter on March 31, June 30, September 30 and December 31. The net asset value of the Partnership is the value of the Partnership's assets less its liabilities.

For the purposes of calculating the net asset value of the Partnership, its assets are deemed to include (but are not limited to):

- (a) all Partnership property acquired by the General Partner on behalf of the Partnership;
- (b) all investments registered in the name of the Partnership or any intermediary vehicles;
- (c) all cash in hand or on deposit, including any interest accrued thereon, owned by the Partnership;
- (d) all bills and demand notes payable and accounts receivable (including interest, fees, and other income from investments of the Partnership, and proceeds from such investments, securities, or any other assets sold but not delivered) owned by the Partnership;
- (e) all bonds, time notes, certificates of deposit, shares, stocks, units, debentures, debenture stocks, subscription rights, warrants, options, royalty interests, and other securities, financial instruments, and similar assets owned or contracted for by the Partnership;
- (f) all stock dividends, cash dividends, cash payments receivable by the Partnership to the extent information thereon is reasonably available to the Partnership;
- (g) all interest accrued on any investments owned by the Partnership except to the extent that the same is already included or reflected in the value of such investments;
- (h) the primary expenses of the Partnership, including the cost of issuing and distributing the Units, insofar as the same have not been amortized or written off; and
- (i) all other assets of any kind and nature including expenses paid in advance.

For the purposes of calculating the net asset value of the Partnership, its liabilities are deemed to include (but are not limited to):

- (a) all loans and other indebtedness for borrowed money (including convertible debt), bills, and accounts payable, and all accrued interest and fees thereon;
- (b) all accrued or payable expenses (including, without limitation, administrative expenses, management fees and performances fees, if any, custody fees, agency, registrar and transfer agency fees, domiciliary and corporate agency fees, legal fees, and any other fees and reasonable disbursements of the service providers to the Partnership);

- (c) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid distributions declared by the Partnership;
- (d) all unearned fees from investments of the Partnership insofar as the same have not been fully amortized;
- (e) an appropriate provision for income and deferred taxes, as applicable, based on the capital and income to the valuation date, as determined from time to time by the General Partner, and other reserves, if any, authorized and approved by the General Partner, as well as such amount, if any, as the General Partner may consider to be an appropriate allowance in respect of any contingent liabilities of the Partnership; and
- (f) all other liabilities of the Partnership of whatever kind or nature reflected in accordance with applicable law, except liabilities represented by outstanding units of the Partnership.

Distributions and Allocations

The net income or loss of the Partnership for accounting and tax purposes is determined by the General Partner, acting reasonably, and such determination is binding upon the Limited Partners. The General Partner is allocated 0.001%, of the taxable income or tax loss, in each fiscal year of the Partnership and the balance of the taxable income or tax loss, in each fiscal year is allocated to the Limited Partners of record. In allocating the net income or loss, the General Partner takes into account the amount and timing of actual and anticipated distributions to each of the Limited Partners with a view to ensure that over the term of the Partnership, each Limited Partner is allocated a portion that substantially corresponds to the distributions and character of distributions a Limited Partner is entitled to receive.

After payment and reservation of all amounts necessary for payment of all Partnership expenses and reservation of such amounts as in the opinion of the General Partner are necessary having regard to the then current and anticipated resources of the Partnership and its commitments and anticipated commitments, (whether resulting from revenue or income earned by the Partnership or from the proceeds of sale of all or any part of the Property or other assets of the Partnership) distributions may be made from time to time, at the sole discretion of the General Partner, to the Limited Partners.

Unless otherwise determined by the General Partner, any such distributions shall be made to the Limited Partners on a *pro rata* basis in accordance with the number of LP Units then held.

Except as otherwise provided in the Partnership Agreement, where any amount is to be allocated or distributed at any time to or among the Limited Partners in accordance with the number of LP Units held by them, such amount will be allocated or distributed to the Limited Partners equally in respect of each LP Unit held by each of them at such time.

The General Partner has the sole and absolute right to defer any distribution payment and accrue such amount until a future payment date, to be determined at the sole discretion of the General Partner, without any obligation to pay any additional amount of distributions or interest payment to the Limited Partners.

No allocations or distributions shall be made if, after such distributions were made, the assets of the Partnership would not exceed the liabilities of the Partnership, excepting liabilities to Limited Partners on account of their capital contributions.

Meetings of Limited Partners

A meeting of the Limited Partners may be called at any time by the General Partner, however, the General Partner is only obligated to call a meeting up the written request of Limited Partners holding the aggregate not less than 20% of the Partnership Units then outstanding.

In order for Unitholders to effect a meeting of the partners of the Partnership, it would be necessary to call a meeting of Unitholders for such purpose in accordance with Article 11 of the Trust Deed. See Item 2.7.1 – “*Meetings of Unitholders*”. The Unitholders wishing to call a meeting for such purposes would be required to put a motion before the meeting which, depending on the nature of the matter to be approved, would require approval of either 50% or 66 2/3% of Unitholders. In order to call a meeting of Limited Partners, Unitholders would need to pass a resolution instructing the Trustees to take steps for the purposes of directing the Holding Trust, in its capacity as a Limited Partner, to call and hold a meeting of the Limited Partners in accordance with the provisions set forth in the Partnership Agreement. See also “*Voting Rights of Limited Partners*” below. See also Item 8 - “*Risk Factors*”.

Voting Rights of Limited Partners

Except as otherwise provided in the Partnership Agreement, any action taken or resolution passed in respect of any matter at a meeting of Limited Partners shall require approval of Limited Partners by a resolution passed by the affirmative vote of a majority of the votes cast at a meeting of Limited Partners duly called for such purpose. The following matters require approval of Limited Partners by a resolution passed by the affirmative vote of at least two-thirds of the votes cast at a meeting of Limited Partners duly called for such purpose:

- (a) the continuation of the Partnership beyond December 31, 2025;
- (b) any material amendment to the Partnership Agreement;
- (c) the sale of all or substantially all of the assets of the Partnership other than in connection with the termination of the Partnership;
- (d) any amendment, modification or variation in the provisions or rights attaching to the units of the Partnership;
- (e) the issuance of partnership units at a price per unit that is less than the net asset value per unit at such time;
- (f) termination of the Partnership; and
- (g) continuing the Partnership in the event that the Partnership is terminated by operation of law.

Liability and Indemnification

The General Partner is liable for the debts, liabilities and obligations of the Partnership, to the extent of its assets; provided that all such debts and obligations are paid or discharged first with the assets of the Partnership before the General Partner is obligated to pay or discharge any such debt or obligation with its assets.

Subject to the provisions of the Partnership Act, a Limited Partner is not liable for the debts, liabilities and obligations of the Partnership except in respect of the amount of cash and other property the Limited Partner contributes or agrees to contribute to the capital of the Partnership.

The General Partner is not liable to the Partnership or to any Limited Partner for any loss or damage relating to any matter regarding or relating to the Partnership, including any loss or diminution in the value of the Partnership's property, or for the acts or omissions of any person employed or engaged by the General Partner, except in the case of willful misconduct, bad faith, gross negligence or material breach or default by the General Partner of its obligations under the Partnership Agreement or to the extent that the General Partner breaches its standard of care set out in the Partnership Agreement.

The Partnership Agreement provides that General Partner shall be indemnified against all claims and liabilities incurred by the General Partner in relation to the execution of its duties under the Partnership Agreement.

Termination of the Partnership

Under the terms of the Partnership Agreement, the Partnership will continue until December 31, 2023, at which point the Partnership will dispose of all of its property and otherwise cease to carry on the Partnership business. The Partnership Agreement provides for the Partnership to cease to carry on business on the Termination Date, however it does give the General Partner the discretionary authority to extend the Termination Date for two (2) additional one-year periods if all of the independent director(s) of the General Partner and a majority of the remaining directors determine it is in the best interests of the Partnership to do so and consent to such extension. Upon termination of the Partnership, the net assets of the Partnership, if any, will be distributed in the following priority:

- (a) Firstly, the holders of LP Units are entitled to receive, on a pro rata basis, a return of capital equal to \$1.00 per LP Unit held (with each such LP Unit being sold for cash consideration of \$1.00);
- (b) Secondly, the holders of LP Units are entitled receive a priority distribution equal to 8% of the subscription price per LP Unit per annum from the date of subscription (not compounded) for each year or partial year that such LP Units were held, less any distributions previously made at the discretion of the General Partner (under Section 6.1(b) of the Partnership Agreement).
- (c) Finally, any remaining balance will be paid 50% to the holders of the LP Units and 50% to the General Partner.

Prior to the termination of the Partnership, the General Partner will, to the extent possible, convert the assets of the Partnership to cash and will satisfy or make appropriate provisions for all liabilities of the Partnership.

2.7.4 Management Agreement

The Fund Entities and the Manager have entered into a Management Agreement dated December 2, 2016, pursuant to which the Fund Entities have retained the Manager to perform certain administrative, investment and management services with respect to the business of the Fund Entities. The Management Agreement sets forth all of the rights, restrictions and limitations (including, without limitation, limitations of liability and indemnification rights) which pertain to the performance by the Manager of the duties delegated to it by the Fund Entities.

Under the terms of the Management Agreement the Fund Entities have agreed to pay the Manager the following fees for the performance of services by the Manager:

- (a) an annual fee equal to 1% of the Net Asset Value of the Partnership, calculated and payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year;

- (b) a transaction fee equal to 2.5% of the purchase price of a property which shall be payable on the closing of the acquisition; and
- (c) all amount required to be reimbursed to the General Partner for all direct and indirect operating, general and administrative and other costs and expenses incurred on behalf of the Fund Entities by the Manager.

The Management Agreement remains in effect until wind-up and dissolution of the Fund Entities unless terminated earlier by the occurrence of certain other events, which includes events of default or the insolvency of the parties.

2.7.5 *Services Agreement*

The Fund Entities and the Manager have entered into a Services Agreement dated effective October 17, 2017 pursuant to which any of the Fund Entities or the Manager may retain ALAM on an as-needed basis to perform administrative, investment, management and/or other services with respect to the business of any the Fund Entities or the Manager. The Services Agreement sets forth all of the rights, restrictions and limitations (including, without limitation, limitations of liability and indemnification rights) which pertain to the performance by ALAM, and its employees, of the services contemplated thereunder.

Subject to the conflicts of interest policy, fees that are payable by the respective Fund Entity or the Manager are on an hourly basis, based on reasonably commercial rates that are determined as between ALAM and the entity retaining ALAM to provide the services, from time to time.

2.7.6 *Property Management Agreement*

The Partnership has entered into a Property Management Agreement with a licensed commercial agent and property manager (the “**Property Manager**”) dated effective September 1, 2017. Under the terms of the Property Management Agreement, the Property Manager provides the Partnership with advisory and property management services for the Agricultural Land Portfolio.

The Property Manager is required to manage, operate, and maintain the properties of the Partnership, including the provision of the following services:

- (a) completing rental market analysis and recommendations for the properties and surrounding regions;
- (b) advertising properties for rent when necessary, soliciting rental proposals from qualified individuals and completing due diligence on, and evaluations of, potential tenants;
- (c) conducting inspections of the properties to ensure compliance with minimum standards of husbandry practices and other schemes for maximizing productivity and profits from the lands;
- (d) providing the Partnership with comprehensive and detailed reports for each of the properties;
- (e) using its best efforts to ensure compliance by the Partnership and the Property Manager with all leases and all third-party agreements in respect of the properties; and
- (f) complying with such protocols for land management as the Property Manager and the Partnership may agree upon from time to time.

The Property Manager is also responsible for the enforcement of all tenant leases and including the delivery of all notices required to be given to tenants, such as notices concerning failure to pay rent or other charges when due and notices concerning breach of any non-monetary covenant contained in the tenant leases. The Property Manager is also responsible, if required, for serving tenants with notices to vacate or quit the leased premises and undertaking collection and eviction procedures to collect rent and other charges.

As compensation for the services provided by the Property Manager to the Partnership, the Partnership pays the Property Manager a management fee that is equal to 4% of the rent actually paid by the lessees under the land leases.

ITEM 3: INTERESTS OF TRUSTEES, DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 **Compensation and Securities Held**

The following table sets out information about each of (i) the Trustees and promoters of the Trust (ii) directors and officers of the Agriculture GP and the Corporate Trustee and (ii) each person who, directly or indirectly, beneficially owns or controls 10% or more of any class of the Trust’s voting securities, being the Trust Units (a “**Principal Unitholder**”):

<u>Name and Municipality of Principal Residence</u>	<u>Position held and the date of obtaining that position</u>	<u>Compensation paid by the Trust or related party in the year ended December 31, 2018</u> ⁽⁷⁾⁽⁸⁾	<u>Compensation anticipated to be paid by the Trust or related party in the current financial year</u> ⁽⁷⁾⁽⁸⁾	<u>Number, type and percentage of securities held after completion of the Minimum Offering</u>	<u>Number, type and percentage of securities held after completion of the Maximum Offering</u> ⁽⁹⁾
Leif Snethun Calgary, Alberta	President ⁽¹⁾⁽⁴⁾ , Director ⁽¹⁾⁽⁴⁾ , Trustee ⁽²⁾ and Promoter	\$348,462	\$296,000	-	278,250 Class A Trust Units (2.60% of class) ⁽¹⁰⁾
Anthony Giuffre Calgary, Alberta	Vice-President ⁽¹⁾⁽⁴⁾ , Director ⁽¹⁾⁽⁴⁾ , Trustee ⁽²⁾ and Promoter	\$283,462	\$231,000 ⁽²⁾⁽³⁾	-	388,020 Class A Trust Units (3.63% of class) ⁽¹¹⁾
Andrew Searby Calgary, Alberta	Chief Financial Officer ⁽⁴⁾⁽⁶⁾	\$45,037	\$45,000	-	20,265 Class A Trust Units (0.19% of class) ⁽¹²⁾
Shelley Allchurch Calgary, Alberta	Corporate Secretary ⁽⁴⁾⁽⁶⁾	\$87,500	\$87,500	-	37,000 Class A Trust Units (0.35% of class) ⁽¹³⁾
Dr. Michael Giuffre Calgary, Alberta	Director ⁽¹⁾⁽⁶⁾ and Trustee ⁽²⁾	\$81,347	\$42,000	-	183,748 Class A Trust Units (1.72% of class) ⁽¹⁴⁾
Carl Diodati Calgary, Alberta	Director ⁽¹⁾⁽⁶⁾ and Trustee ⁽²⁾	\$81,347	\$42,000	-	408,821 Class A Trust Units (3.82% of class) ⁽¹⁵⁾
Dr. Kabirudeen Jivraj Calgary, Alberta	Director ⁽³⁾⁽⁶⁾ and Trustee	\$81,347	\$42,000	-	112,350 Class A Trust Units (1.05% of class) ⁽¹⁶⁾
Joseph Giuffre Calgary, Alberta	Director ⁽³⁾⁽⁶⁾ and Trustee	\$81,347	\$42,000	-	197,100 Class A Trust Units (1.84% of class) ⁽¹⁷⁾
Jack Coldwell Calgary, Alberta	Independent Trustee and Independent Director ⁽⁵⁾⁽⁶⁾	Nil	\$15,000	-	nil

Notes:

1. Appointed to this position on October 12, 2016.
2. Appointed to this position on December 2, 2016.
3. Appointed to this position on October 2, 2017.
4. Appointed to this position on February 15, 2019.
5. Appointed to this position on March 11, 2019.
6. Director or officer of Agriculture GP.
7. In addition to the stated compensation amounts the Trust will reimburse the Trustees for all reasonable expenses paid or incurred on behalf of the Trust or Partnership, including all reasonable travel, promotional and other business expenses incurred by them in the performance of their duties.
8. Amounts listed as compensation paid or anticipated to be paid to principals are inclusive of the payment of the Management Fees to the Manager.
9. The Trustees and director/officers of the Manager may purchase Class C Trust Units under the Offering on the same terms as other Investors but have not determined to do so as of the date hereof.
10. The 273,000 Class A Trust Units are held directly or indirectly by Mr. Snethun as follows: (i) 115,500 Class A Trust Units are held directly by Mr. Snethun; (ii) 141,750 Class A Trust Units are held by Kimberly Snethun, the wife of Mr. Snethun; (iii) 5,250 Class A Trust Units are held by Jaden Snethun, the daughter of Mr. Snethun; (iv) 5,250 Class A Trust Units are held indirectly through Tage Ranch Ltd., a corporation owned and beneficially owned or controlled, directly or indirectly, by Mr. Snethun; (v) 5,250 Class A Trust Units are held indirectly through Diatom Resources Ltd., a corporation owned and beneficially owned or controlled, directly or indirectly, by Mr. Snethun; and (vi) 5,250 Class A Trust Units are held indirectly through Perception Petroleum Corp., a corporation owned and beneficially owned or controlled, directly or indirectly, by Mr. Snethun.

11. The 388,020 Class A Trust Units are held directly or indirectly by Anthony Giuffre as follows: (i) 52,500 Class A Trust Units held indirectly through Anthony Giuffre Consulting Management Ltd., a corporation owned and beneficially owned or controlled, directly or indirectly, by Anthony Giuffre; (ii) 1,050 Class A Trust Units held indirectly through 1998387 Alberta Ltd., a corporation owned and beneficially owned or controlled, directly or indirectly, by Anthony Giuffre; (iii) 1,050 Class A Trust Units held indirectly through Providence Investment Inc., a corporation owned and beneficially owned or controlled, directly or indirectly, by Anthony Giuffre; (iv) 1,050 Class A Trust Units held indirectly through Realaura Investments Inc., a corporation owned and beneficially owned or controlled, directly or indirectly, by the wife of Anthony Giuffre; (v) 158,306 Class A Trust Units are held directly by Mr. Giuffre; and (vi) 158,314 Class A Trust Units held by Laura Giuffre, the wife of Mr. Giuffre.
12. The 20,265 Class A Trust Units are held directly or indirectly by Mr. Searby as follows: (i) 5,250 Class A Trust Units are held directly by Mr. Searby; (ii) 13,965 Class A Trust Units are held indirectly through 1386074 Alberta Ltd., a corporation owned and beneficially owned or controlled, directly or indirectly, by Andrew Searby; and (iii) 1,050 Class A Trust Units held by Valerie Searby, the wife of Mr. Searby.
13. The 37,000 Class A Trust Units are held directly or indirectly by Ms. Allchurch as follows: (i) 5,000 Class A Trust Units are held directly by Ms. Allchurch; and (ii) 32,000 Class A Trust Units are held by Derek Allchurch, the husband of Ms. Allchurch.
14. The 183,748 Class A Trust Units are held directly or indirectly by Dr. Giuffre as follows: (i) 52,500 Class A Trust Units are held directly by Dr. Giuffre; (ii) 26,500 Class A Trust Units held indirectly through Michael Giuffre Professional Corporation., a corporation owned and beneficially owned or controlled, directly or indirectly, by Dr. Giuffre; (iii) 39,850 Class A Trust Units are held through registered accounts at Olympia Trust Company and (iv) 65,148 Class A Trust Units are held, directly and indirectly, by Heather Giuffre, the wife of Dr. Giuffre.
15. The 408,821 Class A Trust Units are held directly or indirectly by Mr. Diodati as follows: (i) 15,750 Class A Trust Units held indirectly through DAL Equities Corp., a corporation owned and beneficially owned or controlled, directly or indirectly, by Mr. Diodati; (iii) 100,500 Class A Trust Units are held through registered accounts at Olympia Trust Company and (iv) 292,571 Class A Trust Units are held, directly and indirectly, by Charlotte Lefebvre, the wife of Mr. Diodati.
16. The 112,350 Class A Trust Units are held directly or indirectly by Dr. Jivraj as follows: (i) 525 Class A Trust Units are held directly by Dr. Jivraj; (ii) 110,775 Class A Trust Units are held, directly and indirectly, by Munira Jivraj, the wife of Dr. Jivraj and (iii) 1,050 are held by Dr. Jivraj's minor children.
17. The 197,100 Class A Trust Units are held directly or indirectly by Mr. Giuffre as follows: (i) 186,600 Class A Trust Units are held through registered accounts at Olympia Trust Company and (ii) 10,500 Class A Trust Units are held, directly and indirectly, by Marcella Giuffre, the wife of Mr. Giuffre.

3.2 Management Experience

The principal occupation and business background of each Trustee and officer of the Manager is as follows:

<u>Name</u>	<u>Principal Occupations and Related Experience</u>
Leif Snethun President and Trustee	Mr. Snethun is the President of the Manager and a Trustee with over 30 years of experience in the petroleum business where he founded or co-founded several private and public companies. He currently serves on the Advisory Board to the City of Medicine Hat Gas Company. Mr. Snethun has been involved in farming and ranching his entire life; (i) he owns a Red Angus commercial cow/calf operation; and (ii) he still contributes to the family farm west of Stavely which has historically rotated wheat, barley and canola crops. These two businesses comprise a total of 3,600 acres. Mr. Snethun graduated from the University of Calgary with a Bachelor of Science in Geology.
Anthony Giuffre Vice President and Trustee	Mr. Giuffre is the Vice-President of the Manager and a Trustee. Mr. Giuffre has over 25 years of start-up business experience, of which 16 years of experience is in commercial and residential real estate investment business, totaling a value of over \$1 billion in transactions. He is a co-founder and part owner of the Manager and ALAM.
Andrew Searby Chief Financial Officer	Mr. Searby is the Chief Financial Officer of the Manager and ALAM. He has over 30 years of financial planning and reporting experience with both private and publicly listed companies across various industries in North America. Mr. Searby holds a Bachelor of Management from the University of Lethbridge and is a Chartered Professional Accountant, Chartered Accountant.
Shelley Allchurch Corporate Secretary	Ms. Allchurch has over 20 years of experience in real estate and commercial law, primarily focused on corporate governance, and the purchase, sale and financing of real estate transactions. Ms. Allchurch acts as Corporate Secretary of both the Manager and ALAM. Ms. Allchurch has a Bachelor of Laws degree from the University of Alberta and is a member of the Law Society of Alberta.
Dr. Michael Giuffre Trustee	Dr. Giuffre is a Clinical Professor at the University of Calgary and a Pediatric Cardiologist at the Alberta Children's Hospital where he is responsible for the mentorship and teaching of medical students and residents in the fields of family practice, pediatrics and pediatric cardiology. He is the Chair of the Alberta Medical Association and a member of the Council of Zonal Medical Leaders. Dr. Giuffre sits on multiple boards, including the National Board of Directors for the Canadian Medical Association (CMA), and recently completed a six-year tenure on the board of UNICEF Canada. Dr. Giuffre holds multiple post-graduate degrees and Fellowships including: MD, MBA, FRCPC, FACC and FAAC. He has been involved with Avenue Living since its inception.

Dr. Kabirudeen Jivraj Trustee	Dr. Jivraj serves as the Managing Director at AgeCare Investments Ltd. and is a Clinical Professor at the University of Calgary, Faculty of Medicine, also serving as Vice Dean from 2000-2002. He has also served as President of Alberta Medical Association and SVP and Chief Medical Officer of Calgary Health Region. Dr. Jivraj is the recipient of many prestigious awards including the Queen's Diamond Jubilee Medal. Dr. Jivraj has served as Chair, Director or Trustee of several public, private and charitable organizations.
Joseph Giuffre Trustee	Mr. Giuffre was formerly the Chief Legal Officer of Nevsun Resources Ltd. (NSU on TSX and NYSE), a mining company valued at \$1.3 billion with operations in Europe and Africa. He has over 25 years in commercial law representing and advising Canadian and foreign public and private companies and financiers in securities and stock exchange regulatory matters, public offerings, joint ventures, debt and equity financing structures, mergers and corporate reorganizations, purchase and sale arrangements, corporate governance and executive and board policies, license agreements, and other commercial matters.
Carl Diodati Trustee	Mr. Diodati has 16 years of real estate experience with involvement in more than \$1 billion of real estate transactions. He previously worked at The Dow Chemical Company as a consultant to the residential construction industry and was instrumental in implementing the Built Green Alberta initiative and still promotes sustainable building and development. He graduated in 2001 from McGill University with a degree in Chemical Engineering.
Jack Coldwell Trustee (Independent)	Mr. Coldwell is a Chartered Professional Accountant with more than 40 years of public practise accounting and tax experience. Mr. Coldwell has extensive experience as an owner-operator of apartment buildings in Calgary and a developer of recreational properties. Mr. Coldwell has previously acted as controller for an oil and gas services company which he also co-founded. Mr. Coldwell has previously served on the board of directors of the Calgary Heritage Authority. Mr. Coldwell grew up on a farm in southern Alberta and continues to enjoy the amenities of the family farm.

3.3 Penalties, Sanctions and Bankruptcy

To the knowledge of management of the Manager, except as disclosed below, there has been: (a) no penalty or sanction that has been in effect during the last 10 years against a: (i) a trustee, executive officer or control person of the Trust or the Manager; or (ii) an issuer of which any of the persons or companies referred to in (i) was a trustee, director, executive officer or control person, at the time; and (b) no declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets, that has been in effect during the last 10 years with regard to any trustee, executive officer or control person of the Trust or an issuer of which a trustee, executive officer or control person of the Trust was a trustee, director, executive officer or control person at that time.

In May, 2008 Mr. Snethun was hired by Canadian Superior Energy Inc. ("**Canadian Superior**") as its VP, Western Canada. In 2009 a dispute arose between Canadian Superior and one of its partners. In order to protect Canadian Superior's oil and gas interests from legal claims, in early 2009 Canadian Superior's board elected to put Canadian Superior into an arrangement under the *Companies' Creditors Arrangement Act* ("**CCAA**"). In April of 2009 the board of Canadian Superior terminated all of the officers of the corporation with the exception of Mr. Snethun and the Chief Financial Officer. Mr. Snethun was promoted to Chief Operating Officer of Canadian Superior and tasked with managing the CCAA process and the Corporation's successful emergence from the arrangement.

3.4 Loans

As of February 28, 2019, the Partnership is indebted to the Manager in the amount of 835,206.62 in respect of certain fees owing to the Manager in accordance with the Management Agreement. See Item 3.1 "Compensation and Securities Held". As at the date of this Offering Memorandum there is no outstanding indebtedness between the Trust and its Trustees, management, promoters or principal holders.

ITEM 4: CAPITAL STRUCTURE

4.1 Capital

Capital of the Trust

The following table sets out the capitalization of the Trust:

Description of Security	Number Authorized to be Issued	Price per security	Number outstanding as at March 19, 2019	Number outstanding after minimum offering	Number outstanding after maximum offering
Class A Units	Unlimited	\$1.00	10,655,539	-	10,655,539
Class C Units	Unlimited	\$10.00	nil	-	4,000,000
Warrants ⁽¹⁾	3,000,000	\$1.00	3,000,000	-	3,000,000

Note:

- The Warrants were issued to two holders in connection with the mezzanine financing described in Item 4.2. The terms of the Warrants provide that each Warrant is exercisable for the purchase of one (1) Class A Unit for an exercise price of \$1.00 per Class A Unit. 1,000,000 of the Warrants expire on June 21, 2019 and 2,000,000 of the Warrants expire on August 24, 2019.

Capital of the Holding Trust

The following table sets out the capitalization of the Holding Trust:

Description of Security	Number Authorized to be Issued	Number outstanding as at December 31, 2018
Class A Units	Unlimited	10,026,074

Capital of the Partnership

The following table sets out the capitalization of the Partnership:

Description of Security	Number Authorized to be Issued	Number outstanding as at December 31, 2018
Class A Partnership Units	Unlimited	10,026,074

4.2 Long-Term Debt Securities

As of March 15th, 2019 the Trust and the Holding Trust have no outstanding long-term debt and the Partnership has the long-term debt set out in the following table:

Description of long-term debt (including whether secured) ⁽¹⁾	Interest rate	Repayment terms	Amount outstanding at March 15, 2018
ATB Financial Mortgages secured by real property located in Saskatchewan	3.25%	Maturing in 2023	\$6,909,490.59

Servus Credit Union Mortgages secured by real property located in Saskatchewan	3.90%	Maturing in 2023	\$2,817,599.25
RBC (Royfarm) Mortgages secured by real property located in Saskatchewan	4.14%	Maturing in 2023	\$493,214.00
ATB Financial Mortgages secured by real property located in Saskatchewan	4.75%	Maturing in 2021	\$2,963,894.22
Mezzanine Debt	10.00%	See note 2 below.	\$8,461,000.00

Note:

1. With the exception of \$480,972.03 owed to RBC, all of the loans listed in the table above have a demand feature which technically characterizes the loans referenced in the table above as current debt under IFRS reporting rules.
2. \$4,000,000 of the mezzanine debt is pursuant to two promissory notes maturing 2019. \$3,000,000 of the principal of the notes may be converted in connection with the exercise of the Warrants described in Item 4.1 at the option of the holder. \$4,461,000 of the mezzanine debt is a line of credit with no maturity date.

In addition, the Partnership has a revolving, on-demand secured credit facility with Canada ICI Capital Corporation for up to \$5,000,000 for the purchase of real property. As of March 19, 2019, the balance owing on the facility is nil.

4.3 Prior Sales

The Trust has issued the following Trust Units within the last 12 months:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
May 9, 2018	Class A Trust Units	200,561	\$1.00	\$200,561.00
July 16, 2018	Class A Trust Units	70,000	\$1.00	\$70,000.00
October 2, 2018	Class A Trust Units	140,000	\$1.00	\$140,000.00
November 13, 2018	Class A Trust Units	267,000	\$1.00	\$267,000.00
November 16, 2018	Class A Trust Units	100,000	\$1.00	\$100,000.00
December 17, 2018	Class A Trust Units	13,200	\$1.00	\$13,200.00
January 23, 2019	Class A Trust Units	163,200	\$1.00	\$163,200.00
February 21, 2019	Class A Trust Units	50,000	\$1.01	\$50,500.00
TOTAL	-	983,961	-	\$1,004,461.00

ITEM 5: SECURITIES OFFERED

We are offering for sale a maximum of 4,000,000 Class C Trust Units. The holder of any Trust Unit (including the Class C Trust Units) will be Unitholder in accordance with the Trust Deed. By subscribing for Class C Trust Units, you are agreeing to be bound by the Trust Deed. You are advised to obtain independent legal advice regarding the terms and conditions of the Trust Deed prior to subscribing for any Class C Trust Units.

The Trust Deed governs the rights and obligations of the Unitholders and the Trustees. The following is a summary of certain material provisions of the Trust Deed and other documents. **This summary does not purport to be complete and reference should be to the Deed Trust and other documents, copies of which are available from the Manager. Alternately, you may request copies by emailing the Manager at sallchurch@avenueliving.ca.**

5.1 Terms of Securities

The information in this Item 5.1 reflects the terms of the Trust Deed and the Authorizing Resolution. Reference should be made to the entirety of the Trust Deed and the Authorizing Resolution, copies of which is available upon request from the Manager.

5.1.1 *General*

The beneficial interests in the Trust are represented and constituted by Trust Units, which may be issued in more than one class and series, and each series may be subject to different fees and rights. The Trust may create additional classes and series of Trust Units without notice to existing Unitholders. See Item 2.7.2 – “Trust Deed”.

The Trust will not issue any fractional Trust Units. All subscriptions and further distributions will be rounded down to the nearest whole number. The Trust shall accrue notional fractional Trust Units for the account of each Unitholder and shall issue a whole Trust Unit once an applicable Unitholder has accrued a sufficient interest to acquire a whole Trust Unit. Outstanding Trust Units of any class may be subdivided or consolidated in the Manager’s discretion from time to time.

The Trustees will determine the number of classes of Trust Units and establish the attributes of each class, including investor eligibility, the designation and currency of each class, the initial closing date and initial offering price for the first issuance of Trust Units of the class, any minimum initial or subsequent investment thresholds, any minimum account balances, valuation frequency, fees and expenses of the class, sales or redemption charges payable in respect of the class, redemption rights, convertibility among classes and any additional class specific attributes.

Each whole Trust Unit of a particular class entitles the Unitholder to the same rights and obligations as a holder of any other Trust Unit of the same class and no holder of Trust Units of a particular class is entitled to any privilege, priority or preference in relation to any other holder of Trust Units of the same class.

There are currently two classes of Trust Units authorized for issuance by the Trust. The terms of the Class A Trust Units are set out in the Trust Deed. Pursuant to their authority set out in the Trust Deed, the Trustees authorized the creation of Class C Trust Units pursuant to written resolutions dated March 11, 2019 (the “**Authorizing Resolution**”).

Each class of Trust Unit is issuable in series and entitled to the rights and subject to the limitations, restrictions and conditions set out in the Trust Deed and the Authorizing Resolution (as applicable), including the right to vote and to participate pro rata in any distributions from the Trust. With the exception of the fees and commissions payable in respect thereon, each class of Trust Unit has identical rights, restrictions and conditions. Each such Trust Unit is without nominal or par value, entitles the holder thereof to one vote at all meetings of Unitholders, entitles the holder thereof to the pro rata right to receive distribution and participate pro rata upon dissolution or liquidation, and entitles the holder to the right of redemption under the terms and conditions set forth in the Trust Deed and the Authorizing Resolution, as applicable. The Trust is authorized to issue an unlimited number of any class of Trust Units.

No Trust Unitholder has or is deemed to have any right of ownership in any of the assets of the Trust. Unitholders cannot transfer their Trust Units except in very limited circumstances. See Item 8 – “Risk Factors – Trust Units are Not Liquid”.

5.1.2 *Class C Trust Units*

The Class C Trust Units offered for sale under this Offering Memorandum are trust units of the Trust. In order to subscribe, an Investor must be a Qualified Purchaser.

For a description of the commissions payable in connection with the purchase of the Class C Trust Units, see Item 7.1 – “Fees and Commissions”.

Capital Contribution

In connection with the subscription for Class C Trust Units under the Offering, each subscriber will contribute to the capital of the Trust at the purchase price of \$10.00 per unit for each Class C Trust Unit subscribed for. No Unitholder will be required to make any contribution to the capital of the Trust in excess of that amount.

Voting Rights

Each Class C Trust Unit shall entitle the holder thereof to receive notice of and to attend all meetings of the Unitholders of the Trust and to ten (10) votes in respect of such Class C Trust Unit at all such meetings. The Class A Units, which have been issued at a price of \$1.00 per unit, are entitled to one (1) vote per unit.

Participation Upon Liquidation or Winding-Up

In the event of the liquidation and winding up of the Trust, Unitholders shall be entitled, subject to the rights of the holders of any other class of securities entitled to receive assets of the Trust upon such a distribution in priority to or concurrently with the holders of the Units, to participate in the distribution. Such distribution to which Unitholders are entitled shall be made pro-rata in accordance with their respective interests in the Trust, without preference or distinction.

Cash Distributions

Unitholders shall be entitled to receive non-cumulative distributions only if, as and when declared by the Trustees in accordance with and as provided by the terms of the Trust Deed. The Trust does not currently anticipate it will make distributions to its Unitholders. The ability of the Trust to make cash distributions on the Trust Units is dependent upon (i) the Trust receiving distributions indirectly from the Partnership in respect of the LP Units indirectly held by the Holding Trust and (ii) having sufficient cash available to fund any distribution, which will be at the sole discretion of the Trustees.

All Trust Units of a particular class are entitled to participate *pro-rata* with other Trust Units of the same class with respect to any payments or distributions made by the Trust to the Unitholders of that class. Each class will be subject to different fees charged at the Trust level and, as a result, the distributions to each class will differ over time.

The Trustees do not anticipate that the Trust will make any distributions. In the event it does, the Trustees have the discretion to suspend distributions at any time and there is no assurance that a further distribution will be paid at any time. The Trust may also distribute distributable cash for any distribution period, as the Trustees determine, in their discretion, from time to time. Distributions are not guaranteed or assured and are not currently anticipated. The ability of the Trust to distribute distributable cash and the actual amount distributed depends on the operations of the Partnership's Agricultural Lands Portfolio and will be subject to various risk factors.

In respect of each fiscal year of the Trust, the Trust will allocate to the Unitholders not less than such amount of income (in respect of the taxable income and net realized capital gains, if any, of the Trust for such year) as is necessary to ensure that the Trust will not be liable for ordinary income taxes under the Tax Act in such year. In this regard, the Trust intends that any cash distributed to Unitholders, will to the extent possible, match the income allocated to Unitholders. However, if the Trust does not have sufficient cash to distribute in respect of such income, then Unitholders would receive an income allocation through a distribution of Trust Units to the extent necessary to ensure that the Trust does not have an income tax liability under Part I of the Tax Act, which would result in Unitholders receiving an income allocation without a corresponding cash distribution. Unless the Trustees determine otherwise, immediately after any *pro-rata* distribution of these additional Trust Units, the number of outstanding Trust Units will be consolidated such that each Trust Unitholder will hold after the consolidation the same number of Trust Units as the Trust Unitholder held before the non-cash distribution, except where tax was required to be withheld in respect of the Trust Unitholder's share of the distribution.

To the extent distributions are calculated in respect of a distribution period and payable at the end of such distribution period, if for any reason, including the termination of the Trust, such distribution period is not completed or such amounts are no longer payable, then the distribution will be pro-rated to the end of the shortened distribution period and be payable at the end of such shortened distribution period. In addition, in the event that a Unitholder has held its Trust Units for less than the entire distribution period for which a distribution is payable, the Unitholder is only entitled to a proportionate share of the distributions based on the proportion that the number of days between the date of first issue of its Trust Units and the last day of the distribution period bears to the aggregate total number of days in such distribution period.

The Trustees have the right but not the obligation to distribute and allocate distributable cash, income, capital gains and any other applicable amounts among Unitholders in such a manner so as to ensure where possible that they are treated equitably taking into account differences that may arise as a result of the acquisition of Trust Units at different times in a fiscal year or in different fiscal calendar years.

The return on an investment in the Trust Units is not comparable to the return on an investment in fixed income securities. Cash distributions to Unitholders are not expected or guaranteed and are not fixed obligations of the Trust. Any receipt of cash distributions by a Unitholder is at any time subject to the terms of the Trust Deed. Any anticipated return on investment is based upon many performance assumptions. The ability of the Trust to make cash distributions and the actual amount distributed depends on the operations of the portfolio of land assets held and acquired by the Partnership and will be subject to various factors including those referenced in Item 8 – "Risk Factors".

Transfer of Trust Units

Subject to the provisions of the Trust Deed and applicable laws (including securities laws), the Trust Units are fully transferable as between persons, but no transfer of Trust Units is effective as until the transfer has been recorded on the register maintained by the

Trust. Note that under applicable securities laws, the Trust Units are restricted securities and any transfer may only be made as permitted under applicable securities laws, including any proposed transferee having the appropriate exemptions from the prospectus requirements. See Item 2.7.2 – “Trust Deed – Transfer of Trust Units”, Item 8 – “Risk Factors” and Item 10 – “Resale Restrictions”. Further, the transfer of Trust Units will not be permitted where the beneficial owner of the Trust Units is a non-resident of Canada. See Item 5 – “Restriction on Non-Resident Ownership”.

Redemption of Trust Units

Subject to certain restrictions, each Unitholder is entitled to require the Trust to redeem, at any time, all or any part of the Trust Units owned by the Unitholder. In order to redeem Trust Units, a Unitholder is required to provide written notice in the form specified by the Trustees. Upon receipt of a notice to redeem Units, the holder of such Trust Units tendered for redemption shall thereafter cease to have any rights with respect to such Units, including the right to receive any distributions which are declared payable to the Unitholders of record on a date which is subsequent to the date of the notice.

Subject to certain limits as described below, the holder of Trust Units tendered for redemption is entitled to receive a price per Trust Unit in cash equal to 95% of either the Class Net Asset Value per Unit or the purchase price originally paid by the Unitholder who wishes to redeem its Trust Units, whichever amount is less.

If the total amount payable by the Trust in respect of all units tendered for redemption in the same calendar month exceeds \$50,000, such Trust Units will be redeemed by a distribution in specie on a pro rata basis (unless such the monthly cash distribution is waived by the Trustees, in their sole discretion). In specie redemptions will be paid through: (i) the issue of Redemption Notes by the Trust (ii) a distribution or transfer of the Trust’s assets or (iii) a combination of Redemption Notes, Trust assets and cash as determined in the discretion of the Trustees.

Subscribers should note that Redemption Notes will not be a qualified investment for tax-exempt subscribers. See Item 6.2.4 - “Taxation of Unitholders” and Item 8 - “Risk Factors – Redemption Right” and “Risk Factors – Eligibility for Investment by Exempt Plans”.

Restriction on Non-Resident Ownership

In order for the Trust to comply with the terms of the Farm Ownership Exemption Order, there are restrictions on beneficial ownership of the Trust by non-residents of Canada. Specifically, at all times each Unitholder must be either:

- (a) A Canadian citizen;
- (b) A permanent resident of Canada within the meaning of the *Immigration and Refugee Protection Act* (Canada);
- (c) A corporation or any other entity in which all the shares or interests are legally and beneficially owned, and all the memberships are held, by resident persons or other Canadian-owned entities; or
- (d) A trust where each of the beneficiaries of such trust is either a Canadian citizen, permanent resident or Canadian-owned entity.

The Trustees and the Manager shall use commercially reasonable efforts to monitor the beneficial ownership of the Trust Units. The Manager will require declarations in the Subscription Agreement as to the jurisdiction in which the beneficial owner of Trust Units is resident. If the Manager becomes aware that any beneficial owner of Trust Units is, or may be, a non-resident or that such a situation is imminent, the Manager shall not accept a subscription for Trust Units from, or issue or register a transfer of Trust Units to, such Person unless the Person provides a declaration that the Person complies with the Trust’s residency requirements and does not hold the Trust Units for the benefit of a non-resident. If the Manager determines that any Trust Units are beneficially held by a non-resident, the Manager shall immediately send a notice to such holder of Trust Units, requiring such holder to sell or tender his or her Units for redemption and if the Unitholder receiving such notice has not, within the specified period, sold or tendered their Trust Units to the Trust, or otherwise provided satisfactory evidence that the beneficial owner of such Trust Units is not a non-resident, the Manager may, as agent and attorney acting on behalf of such Unitholder and/or such beneficial owner, sell or redeem the Trust Units. Pursuant to the Trust Deed, such redemption shall be at a price per Trust Unit equal to the lesser of 95% of either the Class Net Asset Value per Trust Unit on the date of non-residence or the purchase price originally paid. Until the affected Trust Units are sold or redeemed, the Manager shall suspend the voting and distribution rights attached to or associated with such Trust Units held by non-residents, and upon the sale or redemption of such Trust Units, the affected Unitholder shall cease to be a holder of the Trust Units in question and his or her rights shall be limited to receiving the net proceeds of such sale or redemption.

5.1.3 Determination of Net Asset Value of the Trust

The Net Asset Value of the Trust shall be calculated as at on December 31 of each year (and may be calculated on additional dates as well if required by the Trustees) by or under the authority of the Trustees. The Trustees may engage the Manager, the Fund

Manager, ALAM or another party to calculate the Net Asset Value of the Trust. The Net Asset Value of the Trust calculated in respect of a Valuation Date shall remain in effect until the determination of the next Net Asset Value of the Trust.

Net Asset Value shall be calculated by subtracting the Trust's aggregate liabilities (including accrued expenses) from the Trust's aggregate assets.

Class Net Asset Value per Trust Unit on a Valuation Date is obtained by calculating the Net Asset Value of the Trust and then allocating that Net Asset Value to each class of Trust Units and then dividing such amount by the number of outstanding Trust Units of such class (before giving effect to any issue of Trust Units of that class on that date). Net Asset Value and Class Net Asset Value per Trust Unit shall be expressed in Canadian dollars. For a more detailed description of how the Net Asset Value of the Trust is determined, Investors should review the Trust Deed.

The Class C Trust Units will be sold a price of \$10.00 per Class C Trust Unit initially, until such time as the Trust re-prices the Class C Trust Units for sale at the Class Net Asset Value per unit, and thereafter such class of re-priced Class C Trust Units will be sold at the latest Class Net Asset Value per Class C Trust Unit.

5.1.4 Distribution Waterfall Upon Wind-up of the Fund Entities

Partnership

Upon the termination of the Partnership, the net assets, following payment or appropriate provision for all liabilities of the Partnership, will be distributed as follows:

- (a) Firstly, the holders of LP Units (the only holder being the Holding Trust) shall receive, on a pro rata basis, a return of all invested capital;
- (b) Secondly, the holders of LP Units shall receive a sum equal to 8% per LP Unit per annum from the date of subscription (not compounded) for each year or partial year that such LP Units were held, less any distributions already received;
- (c) Finally, the remaining balance will be paid 50% to the holders of LP Units and 50% to the General Partner.

Holding Trust

Upon the termination of the Holding Trust, the net assets, following payment or appropriate provision for all liabilities of the Holding Trust, will be distributed to the holders of the Holding Trust Units (the only holder being the Trust).

Trust

Upon the termination of the Partnership, the net assets, following payment or appropriate provision for all liabilities of the Partnership, will be distributed to Unitholders based upon each holder's Class Net Asset Value per Trust Unit.

5.2 Subscription Procedure

The securities being offered pursuant to the Offering are Class C Trust Units at a price of \$10 per Class C Trust Unit. Each Investor must subscribe for a minimum of \$25,000 worth of Class C Trust Units, unless waived by the Manager. Under the Maximum Offering, the Trust will issue and sell the Class C Trust Units for aggregate gross proceeds of up to \$40,000,000. The Trust may, without notice to Investors, increase the Maximum Offering. Investors wishing to subscribe for Class C Trust Units are required to enter into a Subscription Agreement with the Trust, containing, among other things, representations, warranties, certifications, acknowledgments and covenants by you, as the Investor. The procedure for your subscription for Class C Trust Units is set out in the Subscription Agreement. Please carefully read and follow the instructions in the Subscription Agreement.

Payment for the Class C Trust Units shall be made as directed by the Manager or your investment advisor.

Subject to the rights of rescission (if any) described in Item 11 – "Investors' Rights", your subscription, as evidenced by your completed and executed Subscription Agreement delivered to the Trust, is irrevocable. No prospective investor has any right to withdraw his subscription for Class C Trust Units unless the Trust terminates the Offering or does not accept the subscription.

At any Closing of the Offering proceeds from subscriptions for Class C Trust Units will be made available to the Trust for its use, as described in this Offering Memorandum. No interest will be paid to or accrued for the benefit of the subscriber for Class C Trust Units on any portion of your aggregate subscription price held prior to Closing. Any interest earned on such funds belongs to the Trust irrespective of its acceptance or rejection of your subscription for Class C Trust Units.

The Trust uses a book-entry system record ownership of the Trust Units. No physical certificates evidencing ownership of Trust Units will be issued to Unitholders. Ownership of Trust Units will be represented by a physical register or such electronic means in accordance with industry standards and maintained by the Manager on behalf of the Trust.

By purchasing Class C Trust Units pursuant to the Offering, you have consented to and requested that all documents evidencing or relating in any way to the sale of the Class C Trust Units be drawn up in the English language only. En souscrivant à des titres en vertu de ce placement, chaque souscripteur reconnaît et convient par les présentes qu'il ou elle a consenti et exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à ce placement d'unités soient rédigés en anglais seulement.

The Trust may close the subscription books at any time without notice. Any subscription funds for subscriptions that the Trust does not accept will be returned promptly after the Trust has determined not to accept such subscription without interest or deduction.

5.3 Exemptions from Prospectus Requirements

The Offering is being made in reliance upon exemptions from the prospectus requirements provided in NI 45-106. Accordingly, no prospectus has been or will be filed with any securities commission in Canada in connection with the Offering.

Offering Memorandum Exemption

Section 2.9 of NI 45-106 provides exemptions for the sale of the Class C Trust Units to Subscribers if the Subscriber purchases as principal and the Trust delivers this Offering Memorandum to the Subscriber in the required form; and the Subscriber signs the Risk Acknowledgment on Form 45-106F4 attached as Appendix I to the Subscription Agreement that accompanies this Offering Memorandum. All jurisdictions of Canada where the offering memorandum exemption is available, except British Columbia and Newfoundland and Labrador, impose eligibility criteria on persons or companies investing under the offering memorandum exemption. In these jurisdictions, **if** the Subscriber's aggregate subscription price is more than \$10,000, then the Subscriber must be an "eligible investor". In certain jurisdictions there are also limits on the maximum amounts Subscribers can buy, as further outlined below.

An "**eligible investor**" includes the following investors (among other categories):

- (a) a person whose
 - (i) net assets, alone or with a spouse, in the case of an individual, exceed \$400,000,
 - (ii) net income before taxes exceeded \$75,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or
 - (iii) net income before taxes, alone or with a spouse, in the case of an individual exceeded \$125,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year,
- (b) a person of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the directors are eligible investors,
- (c) a partnership of which all of the partners are eligible investors,
- (d) a limited partnership of which the majority of the general partners are eligible investors,
- (e) a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are eligible investors,
- (f) an accredited investor,
- (g) a person described in section 2.5 of NI 45-106 [Family, friends and business associates], or
- (h) a person that has obtained advice regarding the suitability of the investment and if the person is resident in a jurisdiction of Canada, that advice has been obtained from an eligibility adviser.

In addition, in Alberta, New Brunswick, Nova Scotia, Ontario and Saskatchewan, there is a requirement that the acquisition cost of all securities acquired by a Subscriber who is an individual under the Offering Memorandum exemption in the preceding 12 months does not exceed the following amounts:

- (i) in the case of a purchaser that is not an eligible investor, \$10,000;
- (ii) in the case of a purchaser that is an eligible investor, \$30,000;

- (iii) in the case of a purchaser that is an eligible investor and that received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable, \$100,000.

In British Columbia and Newfoundland and Labrador, a Subscriber may purchase Class C Trust Units with a total subscription price over \$10,000, and there is no requirement that the Subscriber be an "eligible investor".

Accredited Investor Exemption

Section 2.3 of NI 45-106 allows "accredited investors" to purchase Class C Trust Units. The definition of "accredited investor" includes (among other categories):

- an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;
- an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of those years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;
- an individual who, either alone or with a spouse, has net financial assets (which does not include real estate) of at least \$1,000,000;
- an individual who, either alone or with a spouse, has net assets of at least \$5,000,000; and
- a registrant acting on behalf of a fully managed account.

See the accredited investor certificate attached to the Subscription Agreement for a complete list of the categories of "accredited investor". Each Subscriber who purchases as an accredited investor must complete and sign the accredited investor certificate attached to the Subscription Agreement, and if they are an individual must sign the Risk Acknowledgment for Individual Accredited Investors on Form 45-106F9.

\$150,000 Minimum Purchase Exemption (not available for individuals)

Section 2.10 of NI 45-106 allows a purchaser who is not an individual, is purchasing as principal and invests not less than \$150,000 to purchase Class C Trust Units. A Risk Acknowledgment on Form 45-106F4 or Form 45-106F9 need not be signed in this case.

5.4 Fees and Expenses

The Trust will have multiple classes and series of Trust Units that have different fees associated with them. Each class of Trust Units is responsible for the fees attributable to that class. All Trust Units of a particular class are entitled to participate *pro-rata* with other Trust Units of the same class with respect to: (a) payments or distributions made by the Trust to the Unitholders of that class; and (b) upon liquidation of the Trust, in any distributions to Unitholders of that class of net assets of the Trust remaining after satisfaction of outstanding liabilities.

Each class of Trust Units will be subject to different fees charged at the Trust level and, as a result, the Class Net Asset Value and Class Net Asset Value per Trust Unit of each class of Trust Units will differ over time. See Item 7.1 - Commissions and Fees.

5.4.1 Management Fees

The Management Fees are the fees payable by the Fund Entities to the Manager pursuant to the Management Agreement, whereby the Manager provides the Trust with certain management and administrative services. See Item 2.7.4 – "Management Agreement".

The Manager will be entitled to the following Management Fees for performing the management services:

- a "management fee" equal to 1.00% annually of the Net Asset Value of the Partnership, calculated and payable quarterly;
- an "transaction fee" equal to 2.50% of the aggregate purchase price of any new agricultural land assets acquired by the Partnership, payable on transaction completion; and
- reimbursement for all direct and indirect operating, general and administrative and other costs and expenses of the Manager incurred on behalf of the Fund Entities.

The Partnership may initially pay the Management Fees from Available Funds, to the extent required, and thereafter from the funds generated by the Agricultural Lands Portfolio, if any.

ITEM 6: INCOME TAX CONSEQUENCES AND ELIGIBILITY FOR EXEMPT PLANS

6.1 Tax Advice

You should consult your own professional advisors to obtain advice on the income tax consequences that apply to you.

6.2 Certain Canadian Federal Income Tax Considerations

In the opinion of Burstall LLP, counsel to the Trust (“**Counsel**”), the following is a fair summary, as of the date hereof, of the principal Canadian federal income tax considerations generally applicable to a person who acquires, as beneficial owner, Class C Trust Units pursuant to this Offering Memorandum and who, for the purposes of the Tax Act and at all relevant times: (a) is or is deemed to be resident in Canada; (b) deals at arm’s length with the Trust; (c) is not affiliated with the Trust; and (d) holds the Class C Trust Units as capital property (a “**Unitholder**”).

Class C Trust Units will generally be considered to be capital property unless the Unitholder acquires or holds the Class C Trust Units in the course of carrying on a business or is engaged in an adventure in the nature of trade with respect to the Class C Trust Units.

Certain Holders (other than certain traders or dealers in securities) who are resident in Canada for the purposes of the Tax Act and whose Class C Trust Units might not otherwise qualify as capital property may be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have their Class C Trust Units (provided that the Trust is a “mutual fund trust” for the purposes of the Tax Act), and any other “Canadian security” (as defined in subsection 39(6) of the Tax Act), owned or subsequently acquired by them, deemed to be capital property for the purposes of the Tax Act. Holders contemplating making such an election should first consult with their own tax advisors.

This summary is not applicable to a Unitholder: (a) that is a “financial institution”, as defined in subsection 142.2(1) of the Tax Act for the purpose of the mark-to-market rules; (b) that is a “specified financial institution”, as defined in subsection 248(1) of the Tax Act; (c) an interest in which is a “tax shelter”, as defined in subsection 237.1(1) of the Tax Act, or a “tax shelter investment” as defined in subsection 143.2(1) of the Tax Act; (d) that reports its “Canadian tax results”, as defined in subsection 261(1) of the Tax Act, in a currency other than Canadian currency; (e) who has entered into or will enter into, in respect of the Class C Trust Units, a “derivative forward agreement”, as defined in subsection 248(1) of the Tax Act; (f) that is a partnership; or (g) that is exempt from tax under Part I of the Tax Act, except for the limited discussion under the heading “Eligibility for Investment”. Such Holders should consult their own tax advisors to determine the tax consequences to them of the acquisition, holding and disposition of the Class C Trust Units acquired pursuant to this Offering Memorandum. In addition, this summary does not address the deductibility of interest by a purchaser who has borrowed money to acquire Class C Trust Units under this Offering.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the “**Regulations**”) in force as of the date hereof, all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”), Counsel’s understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (“CRA”) made publicly available prior to the date hereof, and a certificate as to certain matters from a Trustee of the Trust. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, or changes in the CRA’s administrative policies and assessing practices, nor does it take into account or consider any other federal tax considerations or any provincial, territorial or foreign tax considerations, which may differ materially from those discussed herein. This summary assumes that the Proposed Amendments will be enacted as currently proposed, but no assurance can be given that this will be the case. There can be no assurance that the CRA will not change its administrative policies or assessing practices. The Trust has not obtained, nor sought, an advance tax ruling from the CRA in respect of any of the matters discussed herein.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not intended to be, nor should it be construed to be, legal or tax advice or representations to any particular Unitholder. Accordingly, each investor should obtain independent advice regarding the income tax consequences of investing in Class C Trust Units with reference to the investor’s particular circumstances.

6.2.1 Status of the Trust

This summary assumes that the Trust will, at all relevant times, qualify as a “mutual fund trust” for the purposes of the Tax Act and that the Trust will validly elect under the Tax Act to be a mutual fund trust from the date it was established.

Counsel has been advised that the Trust meets, and intends to continue to meet the requirements necessary for it to qualify as a mutual fund trust for the purposes of the Tax Act. If the Trust were to not qualify as a mutual fund trust at any particular time, the tax considerations for the Trust and Holders could, in some respects, be materially and adversely different from those contained herein.

6.2.2 *The SIFT Rules*

This summary is also based on the assumption that the Trust will at no time be a “SIFT trust”, as defined in subsection 122.1(1) of the Tax Act (a “**SIFT Trust**”). Counsel has been advised that the Trust intends to meet the requirements to not be a SIFT Trust on the basis that no Class C Trust Units or other investments in the Trust will be listed or traded on any stock exchange or public market, as defined in subsection 122.1(1) of the Tax Act.

If the Trust were a SIFT Trust, certain rules would apply that would effectively tax certain income of the Trust that is distributed to its investors on the same basis as would have applied had the income been earned through a taxable Canadian corporation and distributed by way of dividend to its shareholders (the “**SIFT Rules**”). Pursuant to the SIFT Rules, a SIFT Trust is not permitted to deduct any amount that it pays or makes payable to its unitholders in respect of its aggregate: (a) net income from businesses it carries on in Canada; (b) net income (other than taxable dividends received by the SIFT Trust) from its non-portfolio properties; and (c) net taxable capital gains from its disposition of non-portfolio properties. Distributions which a SIFT Trust is unable to deduct will be taxed in the SIFT Trust at rates of tax which approximate the combined federal and provincial corporate tax rates. Distributions of a SIFT Trust’s income that are not deductible to the SIFT Trust will be treated as taxable dividends received from taxable Canadian corporations. A Unitholder who is an individual (other than certain trusts) and receives such a distribution will be required to include the distribution in income as a dividend, subject to the enhanced gross-up and dividend tax credit rules normally applicable to “eligible dividends” received from a taxable Canadian corporation. In general, distributions paid as returns of capital will not be subject to the SIFT Rules.

The remainder of this summary is based on the assumption that no Class C Trust Units or other interests in the Trust will be listed or traded on any stock exchange or other public market and, accordingly, the Trust will not be a SIFT Trust. However, there can be no assurance that subsequent investments or activities undertaken by the Trust will not result in the Trust becoming a SIFT Trust subject to the SIFT Rules.

6.2.3 *Taxation of the Trust*

The Trust is subject to tax on its income in each taxation year, including net realized taxable capital gains, dividends and interest received or receivable, less the portion thereof that is paid or payable in the year to Unitholders and which is deducted by the Trust in computing its income for the purposes of the Tax Act. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid in the year by the Trust or such Unitholder is entitled in that year to enforce payment of the amount. The taxation year of the Trust is December 31 of each year.

In computing its income, the Trust will be entitled to deduct reasonable current administrative and other expenses incurred by it to earn income. Reasonable expenses incurred in respect of the issuance of Class C Trust Units generally may be deducted by the Trust on a five-year, straight-line basis.

Counsel has been advised that the Trust’s current intention is to make payable to Unit Holders each year sufficient amounts such that the Trust is not expected to be liable for any material amount of tax under Part I of the Tax Act. However, there can be no assurance that the Trust will not adopt a different approach.

6.2.4 *Taxation of Unitholders*

Trust Distributions

A Unitholder will generally be required to include in computing the Unitholder’s income for a particular taxation year, as income from property, the portion of the net income of the Trust, including taxable dividends and net realized taxable capital gains, that is paid or payable to the Unitholder in that taxation year, whether that amount is paid or payable in cash, additional Class C Trust Units, Trust assets or otherwise. Accordingly, a Unitholder’s allocation of income for the purposes of the Tax Act in a particular year may exceed the amount of cash distributions received by such Unitholder. Any loss of the Trust cannot be allocated to or treated as a loss to a Unitholder.

Provided that appropriate designations are made by the Trust, certain types of income of the Trust from certain sources are deemed to have been received by a Unitholder as income from such sources, so that such income generally retains its character for tax purposes in the hands of the Unitholder. Sources of income that may be so designated include taxable dividends from taxable Canadian corporations, net taxable capital gains and income from foreign sources.

The non-taxable portion of net realized capital gains of the Trust that is paid or payable to a Unitholder in a taxation year generally will not be included in computing the Unitholder’s income for the year and will not reduce the adjusted cost base of the Unitholder’s Class C Trust Units. Any other amount (other than as proceeds of disposition in respect of the redemption of Class C Trust Units) in excess of the net income of the Trust that is paid or payable by the Trust to a Unitholder in a year will generally not be included in the Unitholder’s income for the year. However, where any such other amount is paid or payable to a Unitholder (other than as

proceeds of disposition of Class C Trust Units) the adjusted cost base of the Class C Trust Units held by such Unitholder will be reduced by such amount. To the extent that the adjusted cost base to a Unitholder of an Class C Trust Unit is less than zero at any time in a taxation year, such negative amount will be deemed to be a capital gain of the Unitholder from the disposition of the Class C Trust Unit in that year, and immediately thereafter the amount of such capital gain will be added to the adjusted cost base of such Class C Trust Unit.

Purchases of Class C Trust Units

A Unitholder who purchases Class C Trust Units during a particular taxation year of the Trust may become taxable on a portion of the net income of the Trust that is accrued or realized by the Trust in a period before the time the Class C Trust Unit was purchased but which was not paid or made payable to Unitholders until the end of the period and after the time the Class C Trust Unit was purchased. A similar result may apply on an annual basis in respect of a portion of capital gains accrued or realized by the Trust in a year before the time the Class C Trust Unit was purchased but which is paid or made payable by the Trust at year end and after the time the Class C Trust Unit was purchased by the Unitholder.

Disposition of Class C Trust Units

On the disposition or deemed disposition of Class C Trust Units, a Unitholder will generally realize a capital gain (or a capital loss) equal to the amount by which the Unitholder's proceeds of disposition (excluding any amount payable by the Trust which represents an amount that must otherwise be included in the Unitholder's income as described herein, including any capital gain or income realized by the Trust in connection with a redemption which the Trust has designated to the redeeming Unitholder) are greater (or less) than the aggregate of the Unitholder's adjusted cost base of the Class C Trust Units and any reasonable costs incurred by the Unitholder in connection with the disposition. The taxation of capital gains or capital losses is described below under "Capital Gains and Capital Losses".

The adjusted cost base of an Class C Trust Unit to a Unitholder will include all amounts paid or payable by the Unitholder for the Class C Trust Unit, with certain adjustments provided for under the Tax Act. Class C Trust Units issued to a Unitholder as a non-cash distribution of income (including net capital gains) will have a cost amount equal to the amount of such income (including the applicable non-taxable portion of net capital gains). A Unitholder will generally be required to average the cost of all newly acquired Class C Trust Units with the adjusted cost base of Class C Trust Units held by the Unitholder as capital property in order to determine the adjusted cost base of the Unitholder's Class C Trust Units at any particular time. The adjusted cost base of Class C Trust Units disposed of is based on such average calculation immediately prior to the distribution.

Where the Trust redeems Class C Trust Units by distributing Redemption Notes or other property of the Trust to a Unitholder, the Unitholder will also be required to include in income any income, and the taxable portion of any capital gain, that the Trust realizes on or in connection with such in specie distribution of Redemption Notes or other property and designates to such Unitholder. The proceeds of disposition to the redeeming Unitholder will be equal to the fair market value of the Redemption Notes or other property of the Trust so distributed, less any income or capital gain realized by the Trust in connection with such redemption to the extent the Trust designates such income or capital gain to the redeeming Unitholder. The cost of any Redemption Notes or other property distributed in specie by the Trust to a Unitholder upon the redemption of Class C Trust Units will be equal to the fair market value of that property at the time of distribution.

The Unitholder will thereafter be required to include in income interest or other income derived from the Redemption Notes or other property in accordance with the provisions of the Tax Act.

The consolidation of Class C Trust Units will not result in a disposition of Class C Trust Units by Holders. The aggregate adjusted cost base to a Unitholder of all of the Unitholder's Class C Trust Units will not change as a result of a consolidation of Class C Trust Units, although the adjusted cost base per Class C Trust Unit will increase.

6.2.5 Capital Gains and Capital Losses

A Unitholder must include in income for a taxation year one-half of any capital gain (a "**taxable capital gain**") realized by the Unitholder on a disposition or deemed disposition of an Class C Trust Unit in the year, and the amount of any net taxable capital gains designated by the Trust to the Unitholder in the year. The Unitholder generally must deduct one-half of the amount of any capital loss ("**allowable capital loss**") realized by the Unitholder in a taxation year on the disposition or deemed disposition of an Class C Trust Unit against the Unitholder's taxable capital gains for the year. Allowable capital losses in excess of taxable capital gains realized by the Unitholder in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted against net taxable capital gains in any subsequent year, subject to the detailed provisions of the Tax Act.

The amount of any capital loss otherwise realized by a Unitholder that is a corporation or a trust (other than a mutual fund trust) on the disposition of an Class C Trust Unit may be reduced by the amount of any dividend that the Trust receives and designates

to the Unitholder, except to the extent that a loss on a previous disposition of an Class C Trust Unit has been reduced by such amount. Holders to whom these rules may be relevant should consult their own tax advisors.

6.2.6 Refundable Tax

A Unitholder which is a Canadian-controlled private corporation (“**CCPC**”), as defined in the Tax Act, will be subject to a refundable tax in respect of its aggregate investment income for the year, which may include certain income and capital gains distributed to the Unitholder by the Trust and any capital gains realized on a disposition of Class C Trust Units.

Recent amendments to the Tax Act applicable to taxation years that begin after 2018 limit the extent to which a CCPC can claim a refund of a refundable tax in certain circumstances. These amendments also limit the availability of the small business deduction for CCPCs earning “adjusted aggregate investment income” exceeding \$50,000 in a taxation year that begins after 2018. CCPCs acquiring Class C Trust Units should consult their own tax advisors with respect to the implications of these provisions as they relate to the acquisition, holding and disposition of Class C Trust Units.

6.2.7 Minimum Tax

A Unitholder who is an individual or trust (other than certain specified trusts) may have an increased liability for alternative minimum tax as a result of capital gains realized on a disposition of Class C Trust Units and net income of the Trust paid or payable, or deemed to be paid or payable, to the Unitholder and that is designated as taxable dividends or net taxable capital gains.

6.2.8 Eligibility for Investment by Exempt Plans

Provided that the Trust qualifies as a “mutual fund trust” for the purposes of the Tax Act, the Class C Trust Units will be a “qualified investment” under the Tax Act for Exempt Plans.

Notwithstanding the foregoing, if the Class C Trust Units are a “prohibited investment” for a particular trust governed by a registered retirement savings plan (“**RRSP**”), registered retirement income fund (“**RRIF**”), registered education savings plan (“**RESP**”), registered disability savings plan (“**RDSP**”) or tax free savings account (“**TFSA**”) for the purposes of the Tax Act, the annuitant under the RRSP or RRIF, the subscriber of an RESP or the holder of the RDSP or TFSA, as the case may be, will be subject to a penalty tax under the Tax Act. The Class C Trust Units will generally not be a “prohibited investment” (as defined in subsection 207.01(1) of the Tax Act) for a trust governed by a RRSP, RRIF, RESP, RDSP or TFSA if the annuitant, beneficiary or holder thereunder: (a) deals at arm’s length with the Trust for the purposes of the Tax Act; and (b) does not hold a “significant interest” (as defined in subsection 207.01(4) of the Tax Act) in the Trust. In addition, Class C Trust Units will not be a prohibited investment if the Class C Trust Units are “excluded property” (as defined in subsection 207.01(1) of the Tax Act). Unitholders should consult their own tax advisors regarding whether Class C Trust Units would be a prohibited investment under the Tax Act having regard to their own particular circumstances.

Assets received as a result of a distribution or redemption of Class C Trust Units may not be a qualified investment for Exempt Plans, which may give rise to adverse tax consequences to an Exempt Plan or the annuitant, holder or beneficiary thereunder. Unitholders should consult their own tax advisors in this regard.

ITEM 7: COMPENSATION PAID TO SELLERS AND FINDERS

7.1 Commissions and Fees

The Class C Trust Units will be sold by selling agents, including exempt market dealers and such other persons that are appointed from time to time by the Trust. The selling agents will be entitled to Selling Commissions on the sale of the Class C Trust Units as follows:

Advisor Commission	6.00%
Admin Fee	1.00%
Upfront Fee	Nil
Total Commission	7.00%
Annual Advisor Trailer	0.75% per annum of gross subscription proceeds – paid quarterly

The maximum possible Selling Commission payable under the Offering is \$2,800,000 (based on the Maximum Offering amount of \$40,000,000), plus any applicable trailer fees which are payable quarterly on the Class C Units.

The decision to distribute the Class C Trust Units and the determination of the structure and pricing and other terms and conditions of the Offering were made by the Manager.

ITEM 8: RISK FACTORS

The purchase of Class C Trust Units pursuant to the Offering should only be made after consulting with independent and qualified investment, legal and tax advisors. Investment in the Class C Trust Units at this time is highly speculative. The risks discussed in this Offering Memorandum can adversely affect the Trust's prospects, results and financial condition. These risks could cause the value of the Class C Trust Units to decline and also cause Investors to lose part or all of their investment. In addition to the risk factors set out below and elsewhere in this Offering Memorandum, other material risks and uncertainties of which the Trust is not presently aware may also harm the Trust's business and its investments. Unitholders must rely on the ability, expertise, judgment, discretion, integrity and good faith of the Trustees and the Trust's management. This Offering is suitable for Investors who are willing to rely solely upon the Trustees and the Trust's management and who can afford a total loss of their investment.

In addition to factors set forth elsewhere in this Offering Memorandum, potential Investors should carefully consider the following factors, many of which are inherent to the ownership of Class C Trust Units. The following risk factors include risk factors that are inherent to the Offering as a result of the Partnership's business. Such risks may not only affect the Partnership, but also, the Trust because the Trust's primary asset is the indirect investment in the Partnership and the Partnership's primary asset will be a portfolio of agricultural land in Western Canada. The following is a summary only of the risk factors involved in an investment in the Class C Trust Units. Prospective investors should review the risks with their financial, legal and tax advisors.

8.1 Risks Associated with an Investment in the Trust

No Guaranteed Return

There is no guarantee that an investment in the Class C Trust Units will earn any positive return in the short or long-term or that the targeting returns to Investors will be achieved. While the Trust may, in the future, make distributions to its Unitholders out of distributable cash (if any), no assurance can be given that such distributions will ever be made to Unitholders. A return on, or of, investment in the Class C Trust Units is dependent upon the success of the Partnership (in which the Trust is to invest) in generating sufficient capital appreciation and income on assets of the Partnership. Both the Partnership and the Trust could realize losses rather than gains. Actual returns are based on many factors that are not within the control of the Fund Entities and their management. **Actual returns may differ materially from the targeted returns that are stated in this Offering Memorandum.** As a result, there is no assurance or guarantee that the Trust and, correspondingly, the purchasers of Class C Trust Units pursuant to the Offering will earn a return on, or of, their investment. An investment in the Class C Trust Units should be considered as speculative and Investors must be able to bear the risk of a complete loss of their investment.

Redemption Price

The Redemption Price is equal to 95% of the lesser of (i) the net asset value of the Class C Units, as determined by the Manager as of the day on which a redemption notice required by the Trust Deed is delivered, having reference to financial statements and such other information as the Manager may consider appropriate and (ii) or the original purchase price paid by the redeeming Unitholder for the Class C Units. There is a risk that the estimate of the net asset value of the Class C Units determined by the Manager may differ from the true fair market value of the Class C Units and the Unitholders will have no recourse against the Trust or the Manager in this respect.

Redemption Right – Cash Limit on Paying Redemptions and Redemption Notes

Redemption rights under the Trust Deed are restricted and provide only a limited opportunity for Investors to liquidate their investment in Trust Units. In accordance with the terms of the Trust Deed, the entitlement of a Unitholder to receive cash upon the redemption of such holder's Trust Units is subject to limitations. See Item 5.1.2 – "Redemption of Trust Units"

The redemption price for Trust Units paid by the Trust may not be paid in cash in certain circumstances but instead may be paid through the issue of Redemption Notes by the Trust. Redemption Notes issued by the Trust will be unsecured debt obligations of the Trust and may be subordinated to other financing obtained by the Trust. The Trust will create a reserve fund for interest payable with respect to Redemption Notes issued by the Trust. Notwithstanding the aforesaid circumstances may arise resulting in the Trust may not have funds available to pay on maturity the principal balance and accrued unpaid interest under any Redemption Notes issued. Redemption Notes, if issued by the Trust, may, in certain circumstances, have priority over Trust Units in the event of the liquidation of the assets of the Trust. There are various considerations with respect to creditor rights and bankruptcy law that will need to be considered both at the time Redemptions Notes are issued and at the time of any liquidation of the assets of the Trust in order to determine if such a priority exists.

Redemption Notes will not be liquid and will not be a qualified investment for Exempt Plans and will be a prohibited investment for Exempt Plans. Adverse tax consequences generally may apply to a Unitholder, or Exempt Plan and/or its annuitant, beneficiary thereunder or holder thereof, as a result of the redemption of Class C Units. Accordingly, investors that propose to invest in Class C Units through Exempt Plans should consult their own tax advisors before doing so to understand the potential tax consequences of exercising their redemption rights attached to such Units.

Limitation on Payment of Redemption Price in Cash

The total cash amount available for the payment of the redemption price of Trust Units by the Trust is limited to \$50,000 during any calendar month provided that the Manager may, in its sole discretion, waive such limitation in respect of all Trust Units tendered for redemption in any calendar month.

Redemption Notes will be Unsecured

Redemption Notes issued by the Trust will be unsecured debt obligations of the Trust and may be subordinated to other financing obtained by the Trust.

Payment of Redemption Notes

The Trust will create a reserve fund for interest payable with respect to Redemption Notes issued by the Trust. In the event that the Trust is unable to pay out a Redemption Note on maturity it may borrow funds from related and unrelated parties or seek to extend the terms of the Redemption Note. Notwithstanding the aforesaid circumstances may arise resulting in the Trust may not have funds available to pay on maturity the principal balance and accrued unpaid interest under any Redemption Notes issued.

Priority of Redemption Notes over Units

Redemption Notes, if issued by the Trust, may, in certain circumstances, have priority over Class C Units in the event of the liquidation of the assets of the Trust. There are various considerations with respect to creditor rights and bankruptcy law that will need to be considered both at the time Redemptions Notes are issued and at the time of any liquidation of the assets of the Trust in order to determine if such a priority exists.

Appraised Value of Properties

The appraised value of the properties owned by the Partnership is based on third-party market estimations of their value taking into consideration a variety of economic factors and conditions. While the appraised value is an estimation of market value, the consideration the Partnership would receive upon the sale of any of its properties may differ positively or negatively from the appraised value. The appraised value is not a guarantee of the amount any particular property may be sold for and the true market value is dependent upon many economic and market factors which can and do change. Further, the net asset value of the Partnership as reported in its financial statements is based on the appraised value of its properties and, as such, the amounts actually realized by the Partnership upon the sale of all of its properties could be lesser or greater than the reported net asset value of the Partnership.

Illiquidity of Units

There is currently no market through which the Class C Trust Units may be sold and none is expected to develop. Units are only transferable subject to the terms of the Trust Deed and Canadian securities law restrictions. In general, under applicable securities

laws, the Class C Trust Units can be lawfully traded or resold by an Investor only if one of the following conditions is satisfied: (i) a statutory exemption, under the applicable securities legislation, from the prospectus and registration requirements is available for the Investor to rely upon in order to effect the trade being contemplated; or (ii) an appropriate discretionary order is obtained by the Investor, under the applicable securities laws, to permit the trade being contemplated.

The Trust is not a reporting issuer (as defined in applicable securities legislation) in any jurisdiction. Therefore, unless and until the Trust becomes a reporting issuer, where no statutory exemption may be relied upon and no discretionary order is obtained in order to effect a future disposition of the Class C Trust Units, an Investor might be required to hold the Class C Trust Units indefinitely. Under certain conditions, redemptions of Class C Trust Units may not be payable in cash but rather satisfied through the distribution of other property of the Trust or Redemption Notes, in respect of each of which there will not be a market for such securities. In light of the foregoing, an investment in the Class C Trust Units is only suitable for investors who do not need liquidity with respect to their investment. The principal assets of the Trust and the Holding Trust will be the LP Units, which are illiquid. There is currently no market through which the LP Units may be sold and none is expected to develop.

Loss of Investment in the Event of a Unitholder Default

In the event that certain representations and warranties of a Unitholder as set forth in the Trust Deed should prove to be untrue, or a Unitholder fails to provide the Trust with requested information, or a Unitholder otherwise is in breach of its obligations under the Trust Deed (and fails to remedy same), the Trust has the right to sell or repurchase the Trust Units of such Unitholder. See Item 2.7.1 – Trust Deed - Limitation on Non-Resident Ownership.

Legal Rights Normally Associated with the Ownership of Shares of a Corporation

Holders of the Class C Trust Units do not have the statutory rights normally associated with ownership of shares of a company including, for example, the right to bring "oppression" or "derivative" actions against the Trust. The Class C Trust Units are not "deposits" within the meaning of the Canada Deposit Insurance Corporation Act (Canada) and are not insured under the provisions of that statute or any other legislation. Furthermore, neither the Trust nor any of the Trustees is a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company. Neither is the Trust a legally recognized entity within the relevant definitions of the *Bankruptcy and Insolvency Act* (Canada) or, *The Companies' Creditors Arrangement Act* (Canada). As a result, if a restructuring of the Trust were necessary, the Trust would not be able to access the remedies available under these statutes.

Distributions

The ability of the Partnership to make cash distributions on the LP Units (and the timing of the commencement of any distributions and actual amounts distributed, if any) will be affected by a number of factors, including working capital requirements of the Partnership and any restrictive covenants pursuant to third-party debt financing arrangements. The General Partner may fund distributions from cash flow from the business and operations of the Partnership, debt, property of the Partnership or Capital Contributions.

It is within the General Partner's sole discretion to determine the utilization of available cash flow from the business and operations of the Partnership for matters beyond satisfying all mandatory liabilities and other payment obligations of the Partnership. It is the intention of the General Partner to utilize available cash flow for acquisitions of additional assets by the Partnership and not to make distributions.

Mutual Fund Trust Status

Should the Trust fail or cease to qualify as a mutual fund trust, the income tax considerations respecting the Trust would be materially different from those described in the summary under Item 6 - Certain Canadian Federal Income Tax Considerations and Exempt Plan Eligibility, and in particular the following adverse income tax consequences may result:

- The Class C Trust Units would not be qualified investments for Exempt Plans with the result that an Exempt Plan may become subject to a penalty tax, the beneficiary of such Exempt Plan may be deemed to have received income therefrom or, in the case of an RESP, the RESP may have its tax exempt status revoked.
- The Trust will be required to pay a tax under Part XII.2 of the Tax Act.
- The Trust will cease to be eligible for the capital gains refund mechanism available to mutual fund trusts.
- The Trust will be subject to alternative minimum tax under the Tax Act.

Limited Voting Rights and Statutory Remedies

The Trust is not generally regulated by established corporate law and Unitholders' rights are governed primarily by the specific provisions of the Trust Deed.

Unitholders are not shareholders and do not enjoy the rights and privileges generally offered to shareholders of a corporation incorporated under the ABCA. Although the Trust Deed confers upon Unitholders some of the same protections, rights and remedies that an Investor would have as a non-voting shareholder of a corporation governed by the ABCA, significant differences do exist.

However, unlike an ABCA corporation, the Trustees will not be elected by Unitholders but rather shall be appointed, removed and replaced by the Initial Trustee. Any Trustee may only be removed from office for cause by resolution passed by not less than two-thirds of the remaining Trustees. Further, unlike an ABCA corporation, Unitholders do not have the right to appoint the Trust's auditor; rather such right is held by the Trustees. In addition, the matters in respect of which Unitholder approval is required under the Trust Deed are generally less extensive than the rights conferred on the shareholders of an ABCA corporation.

The Trust Units will not generally vote, except in cases where a fundamental change to the Trust (such as an amendment to the Trust Deed) is required. Where the general nature of the business to be transacted at a Unitholder meeting concerns an issue relevant to all Unitholders of the Trust, all classes will be voted together. Where an issue may affect the Unitholders of a particular class in a manner that is materially different from another class, only Unitholders of those classes to which such business is relevant will be entitled to vote and such Trust Units will be voted separately as a class.

Other than as described in the Trust Deed, Unitholders do not have recourse to a dissent right under which shareholders of an ABCA corporation are entitled to receive the fair value of their shares where certain fundamental changes affecting the corporation are undertaken, such as an amalgamation, a continuance under the laws of another jurisdiction, the sale of all or substantially all of its property, a going private transaction or the addition, change or removal of provisions restricting: (a) the business or businesses that the corporation can carry on, or (b) the issue, transfer or ownership of shares.

Unitholders similarly do not have recourse to the statutory oppression remedy that is available to shareholders of an ABCA corporation where the corporation undertakes actions that are oppressive, unfairly prejudicial or disregard the interests of security holders and certain other parties. Shareholders of an ABCA corporation may also apply to a court to order the liquidation and dissolution of the corporation in those circumstances, whereas Unitholders could rely only on the general provisions of the Trust Deed, which permit the termination of the Trust with the approval by Special Resolution. The ABCA also permits shareholders to bring or intervene in derivative actions in the name of the corporation or any of its subsidiaries, with the leave of a court. The Trust Deed does not include a comparable right of Unitholders to commence or participate in legal proceedings with respect to the Trust.

In the event of an insolvency or restructuring of the Trust, the rights of Unitholders will be different from those of shareholders of an insolvent or restructuring corporation.

Liability of Unitholders

There is a risk that a party may seek to assert that Unitholders be held personally liable for the obligations of the Trust or in respect of claims against the Trust. Such risks are expected to be limited since the Trust intends to limit its investments to indirect investment in LP Units and the Trust does not intend to carry on any active business. However, there is no assurance that Unitholders will not be personally liable for the obligations of the Trust.

Pursuant to the Trust Deed, if any Unitholder is held personally liable as such to any other person in respect of any debt, liability or obligation incurred by or on behalf of the Trust, or any action taken on behalf of the Trust, such Unitholder is entitled to indemnity and reimbursement out of the Trust assets to the full extent of such liability for all costs of any litigation or other proceedings in which such liability has been determined, including all fees and disbursements of counsel. The rights accruing to a Unitholder do not exclude any other rights to which such Unitholders may be lawfully entitled, nor does anything contained in the Trust Deed restrict the right of the Trustees to indemnify or reimburse a Unitholder out of the Trust's assets in any appropriate situation not specially provided herein but, for greater certainty, the Trustees have no liability to reimburse a Unitholder for taxes assessed against them by reason of or arising out of his ownership of Trust Units.

Nature of the Trust Units and Trust Units are Not Direct Investments in Real Estate

The Class C Trust Units do not represent a direct investment in agricultural land and should not be viewed by Unitholders as a direct interest in properties, but instead as an investment in equity securities, namely the Class C Trust Units. The Trust will not be investing in land assets or other real estate but will be subscribing for Holding Trust Units. The Trust will not have a direct interest in any properties.

Price for the Class C Trust Units Determined Arbitrarily

As there is no market for the Class C Trust Units, the Trustees have arbitrarily determined the offering price of the Class C Trust Units pursuant to this Offering. The Trustees make no representation to prospective investors as to the market value of the Class C Trust Units. All prospective investors are urged to consider the purchase of the Class C Trust Units on its merits as an investment and to consult professional advisors having relevant expertise.

Class C Trust Units are Not Insured

The Class C Trust Units are not “deposits” within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that act or any other legislation or any other insurance company or program.

Tax Risks

Canadian federal and provincial tax aspects and local tax aspects should be considered prior to purchasing the Class C Trust Units under the Offering. Unitholders are urged to consult their own tax advisors, prior to purchasing the Class C Trust Units, with respect to the specific tax consequences to them. No advance income tax ruling has been applied for or received with respect to the income tax consequences described in this Offering Memorandum. The Trust has not received a legal opinion with respect to the income tax consequences described in this Offering Memorandum.

There can be no assurance that Canadian federal income tax laws or the judicial interpretation thereof or the administrative or assessing practices of the CRA respecting the treatment of trusts or limited partnerships will not be changed in a manner that adversely affects Unitholders or fundamentally alters the income tax consequences of investing in, holding or disposing of the Class C Trust Units. There is also a risk that the CRA may reassess the returns of Unitholders relating to their investments in the Class C Trust Units. Any successful tax reassessment by the CRA or the Internal Revenue Service may adversely impact the value of the Class C Trust Units.

The taxation of corporations, trusts and limited partnerships is complex. In the ordinary course of its activities, the Trust may be subject to ongoing audits by tax authorities. In addition, tax legislation may change periodically.

While the Trust believes that its tax filing position is appropriate and supportable, and that the Trust is not subject to the SIFT Rules, it is possible that tax matters, including the calculation and determination of revenue, expenditures, deductions, credits and other tax attributes, taxable income and taxes payable, may be reviewed and challenged by the tax authorities. If such challenge were to succeed, it could have a material adverse effect on the Trust’s tax position. Further, the interpretation of and changes in tax laws, whether by legislative or judicial action or decision, and the administrative policies and assessing practices of taxation authorities, could materially adversely affect the Trust’s tax position. As a consequence, the Trust is unable to predict with certainty the effect of the foregoing on its effective tax rate and earnings. The Trust will review the adequacy of its tax provisions and believes that it has adequately provided for those matters. Should the ultimate outcomes differ materially from the provisions, the Trust’s effective tax rate and earnings may be affected positively or negatively in the period in which the matters are resolved.

Unitholders should consult their own professional advisors as to the tax consequences to them of making an investment in, and of holding, the Class C Trust Units.

Although the Trust is of the view that all expenses to be claimed by it in the determination of its income under the Tax Act will be reasonable and deductible in accordance with the applicable provisions of the Tax Act and that the allocations of income and losses to be made for purposes of the Tax Act will be reasonable, there can be no assurance that the Tax Act or the interpretation of the Tax Act will not change, or that the CRA will agree with the expenses claimed. If the CRA successfully challenges the deductibility of expenses or the allocation of income and losses, the Trust’s allocation of taxable income and losses to the Unitholders may change.

The possibility exists that a Unitholder will receive allocations of income without receiving cash distributions from the Trust in the year sufficient to satisfy the Unitholder’s tax liability for the year arising from its status as a Unitholder.

Eligibility for Investment by Exempt Plans

In order for the Class C Trust Units to be eligible for investment by Exempt Plans the Trust must qualify as a “mutual fund trust” under the Tax Act.

The Redemption Notes which may be received as a result of a redemption of Class C Trust Units will not be qualified investments for Exempt Plans. Consequently, Class C Trust Units that are held in Exempt Plans should be withdrawn from the Exempt Plan prior to redemption, if the redemption price is to be paid in Redemption Notes (in whole or in part). Unitholders desiring to redeem Class C Trust Units held in an Exempt Plan should contact a tax adviser prior to redeeming any Class C Trust Units.

Securities Regulatory Risks

In the ordinary course of business, the Trust may be subject to ongoing reviews by the securities regulators, who have broad powers to pass, interpret, amend and change the interpretation of securities laws from time to time and broad powers to protect the public interest and to impose terms, conditions, restrictions or requirements regarding registration under securities laws. Further, the securities regulators have the authority to retroactively deny the benefit of an exemption from prospectus or registration requirements otherwise provided for in the securities laws where the regulator considers it necessary to do so to protect investors or the public interest.

While the Trust believes that its position regarding compliance with securities laws is appropriate and supportable, it is possible that securities matters may be reviewed and challenged by the securities authorities. If such challenge were to succeed, it could have a material adverse effect on the Trust. There can be no assurance that applicable securities laws or the securities regulators interpretation thereof or the practices of the securities regulators will not be changed or re-interpreted in a manner that adversely affects the Trust.

Dilution/Concentration

The Trust is authorized to issue an unlimited number of each Class of Trust Units. Any issuance of additional Trust Units may have a dilutive or concentrative effect on the value of Trust Units. Unitholders who invest after a particular property is acquired will be entitled to receive the same distributions as a Unitholder who invested before such property was acquired and will therefore be entitled to the equivalent benefits or disadvantages as each other Unitholder.

No Review of Offering Memorandum by Regulatory Authorities

Investors will not have the benefit of a prior review of this Offering Memorandum, the Trust Deed, the Holding Trust Deed, the Partnership Agreement, the Management Agreement or any other documents in relation to the Offering by any regulatory authorities.

No Independent Counsel for Unitholders

Legal counsel that assisted in preparing the documentation in connection with the Offering, including the Trust Deed, acted as legal counsel for the Fund Entities. No independent counsel was retained on behalf of the Unitholders. There has been no review by independent counsel on behalf of the Unitholders of this Offering Memorandum, the Trust Deed or any other documentation in relation to the Offering. No due diligence has been conducted on behalf of Unitholders by counsel. Each prospective investor should consult his or her own legal, tax and financial advisors regarding the desirability of purchasing the Class C Trust Units and the suitability of investing in the Trust.

Disclosure of Personal Information

Investors are advised that their names and other specified information, including the number and aggregate value of the Class C Trust Units owned: (a) will be disclosed to the relevant Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable securities and freedom of information laws and the investor consents to the disclosure of such information; (b) is being collected indirectly by the applicable Canadian securities regulatory authority under the authority granted to it in securities legislation; and (c) is being collected for the purposes of the administration and enforcement of the applicable Canadian securities legislation.

Legislative Changes

Legal, tax and regulatory changes may occur that can adversely affect the Trust or the Class C Trust Units. There can be no assurance that income tax, securities and other laws will not be changed in a manner that adversely affects the Trust or the Class C Trust Units. Similarly, changes or interpretations of existing laws increasing the potential liability for environmental conditions existing on properties or increasing the restrictions on discharges or other conditions, as well as changes in laws affecting development, construction and safety requirements, may result in significant unanticipated expenditures, which could also have an adverse effect on the Partnership's ability to make interest payments or distributions of cash to the Trust and in turn, the Trust's ability to make cash distributions to its Unitholders.

8.2 Risks Associated with the Fund Entities

The following are certain risk factors that are associated with the Fund Entities and their business and should be carefully reviewed by Investors.

Financing Risks

In addition to the net proceeds of the Offering invested in the Partnership through the indirect acquisition of LP Units by the Trust, the Partnership may require additional capital to implement and achieve its objectives. There can be no assurance that debt or equity financing (including mortgage loans) will be available or sufficient to meet the requirements of the Partnership to implement its objectives or, if debt or equity financing is available, that it will be on terms acceptable to the Partnership. The inability of the Partnership to access sufficient capital for its operations could have a material adverse effect on the Partnership's financial condition, results of operations or prospects. If mortgage loans are obtained by the Partnership, there is no assurance that such mortgage loans will be renewed when they mature or, if renewed, will be renewed on the same or commercially reasonable terms and conditions (including the rate of interest). In the absence of the Partnership being able to obtain mortgage financing on its farmland properties, the number of properties which the Partnership is able to purchase will decrease and the projected return from the ownership of properties will be reduced. Even if the Partnership is successful in obtaining adequate mortgage loans, the Partnership may not be able to generate sufficient funds through the operation of the properties to service the mortgage loans. If a default occurs under any of the mortgage loans, one or more of the lenders could exercise its rights including, without limitation, foreclosure or sale of the properties. In such a case it would be possible that, upon a forced sale of properties, insufficient proceeds would be realized to enable Limited Partners (i.e. the Holding Trust) to recover all or a portion of their equity investment.

Reliance upon the Manager and ALAM

The Fund Entities depend upon the Manager to provide them with the services outlined in the Management Agreement. As well, the Fund Entities and the Manager depend upon ALAM to provide certain services outlined in the Services Agreement and, in particular, they depend upon the expertise of the Manager's and ALAM's respective management teams and expertise. In the event that either the Manager or ALAM experiences a material adverse change in its business, such change may have an impact on the Fund Entities.

Conflicts of Interest

Each of the Trust, the Partnership, ALAM, and the Manager have adopted a conflict of interest policy in order to address Conflict of Interest Matters.

There may be situations where the interests of the Trust or the Trustees conflict with the interests of the Trust's affiliates and/or the officers and directors of various other entities managed by the Trustees, including ALAM and the Manager.

Nevertheless, the Trust Deed includes a covenant of the Trustees to exercise their powers and carry out their functions honestly, in good faith and in the best interests of the Trust and the Unitholders and in connection with this duty, to exercise the degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances. Similar to corporate law, if a Trustee or an officer of the Trust is party to a material contract or transaction with the Trust creating a possible conflict of interest, such Trustee or officer is required under the terms of the Trust Deed to provide full written disclosure and refrain from voting on any resolution relating thereto, subject to certain exemptions relating to remuneration, indemnities or liability insurance.

Transactions between the Trust and the Trustees and one or more of the affiliates or associates of the Trustees may be entered into without the benefit of arm's length bargaining. Therefore, situations may arise in which the Trustees may be making determinations which could benefit themselves, affiliates or their respective associates, officers or directors to the detriment of the Trust. Unitholders must rely on the standard of care owed by the Trustees to all Unitholders as set out in the Trust Deed to prevent overreaching by others in transactions with the Trust.

Other than the standard of care specified in the Trust Deed, the Trustees and their affiliates are not in any way limited or affected in their ability to carry on business ventures for their own account and for the account of others and may be engaged in the ownership, acquisition and operation of businesses, which compete with the Trust. There is no obligation on the Trustees or officers of the Trust or their affiliates to present any particular property to the Trust and such persons may recommend to others such investment opportunity to the exclusion of the Trust. In addition, the Trustees or officers of the Trust may establish, in the future, other limited partnerships or other investment vehicles which have or may have investment objectives that are the same as or similar to those of the Trust and to act as adviser, manager, trustee and/or general partner to such entities. The Independent Trustees of the Trust are not presently directors or officers of ALAM or the Manager. Anthony Giuffre, Carl Diodati, Michael Giuffre and Joseph Giuffre, Trustees of the Trust, are also directors and/or officers of ALAM and the Manager. Although the Trustees and officers of the Manager will not devote their full time to the business and affairs of the Trust, they will devote as much time as is necessary for the management of the business and affairs of the Trust.

The Independent Trustees will provide advice and assistance to the Trustees and directors of the Manager and ALAM regarding actual and potential conflicts of interest as defined in National Instrument 81-107 – *Independent Review Committee for Investment Funds*. See Item 2.2.3 – Governance Matters.

Credit Risk

The Partnership is exposed to credit risk in that lessees of the properties may become unable to pay their rents or that such land interests, where offered for sale, might remain unsold. In the event of default by a lessee, the Partnership may experience delays or limitations in enforcing rights as lessor and may pay substantial costs in protecting its investment. Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs, property management costs and related charges must be made throughout the period of ownership of real property regardless of whether the property is producing revenue. If the Partnership is unable to meet mortgage payments or other financing costs (if any) on any property that it owns or operates, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or sale. However, the Partnership intends to minimize possible risks.

Valuation of the Trust's Investments

Valuation of the Agricultural Land Portfolio (owned indirectly through the Partnership) may involve uncertainties and judgmental determinations and, if such valuations should prove to be incorrect, the Net Asset Value and the Class Net Asset Value per Trust Unit could be adversely affected. Certain pricing information may not at times be available regarding certain of the properties. Valuation determinations will be made in good faith in accordance with the Trust Deed.

The Trust (through the Partnership) may have its assets in land assets which by their very nature may be difficult to value accurately. To the extent that the value assigned to any such property differs from the actual value, the Class Net Asset Value per Trust Unit may be understated or overstated, as the case may be. In light of the foregoing, there is a risk that a Unitholder who redeems all or part of his or her Trust Units while the Trust (through the Partnership) holds such properties will be paid an amount less than such Unitholder would otherwise be paid if the actual value of such properties is higher than the value designated by the Trust. Similarly, there is a risk that such Unitholder might, in effect, be overpaid if the actual value of such investments is lower than the value designated by the Trust in respect of a redemption. In addition, there is risk that an investment in the Trust by a new investor (or an additional investment by an existing Unitholder) could dilute the value of such investments for the other Unitholders if the actual value of such investments is higher than the value designated by the Trust. Further, there is a risk that a new Unitholder (or an existing Unitholder that makes an additional investment) could pay more than it might otherwise if the actual value of such investments is lower than the value designated by the Trust. The Trust does not intend to adjust the Net Asset Value or the Class Net Asset Value per Trust Unit retroactively.

The valuation of assets of the Trust for the purpose of determining subscription and redemption prices of Trust Units and the calculation of applicable fees, may not be in accordance with International Financial Reporting Standards but will generally be in accordance with industry practice.

Appointment and Inability to Remove of Trustees

Under the terms of the Trust Deed, the ability to remove a Trustee for cause is a power granted to the other Trustees. Unitholders do not have an explicit right to appoint or remove Trustees. In addition, Unitholders do not have the right to remove the Corporate Trustee which would be a decision made by the individual Trustees of the Trust. This presents a conflict of interest since some of the individuals who are Trustees are also officers/directors of the Corporate Trustee. Similarly, there is a further conflict of interest since some of the individuals who are officers/directors of the Corporate Trustee are also officers and directors of the General Partner.

Removal or Resignation of the General Partner of the Partnership and Inability of Unitholders to Remove General Partner

Under the terms of the Partnership Agreement, Unitholders do not have an explicit right to appoint or remove the General Partner. Additionally, the removal or resignation of the general partner of the Partnership by the Limited Partners in accordance terms of the Partnership Agreement could have a material adverse effect on the Partnership and, consequently, the Trust. For greater clarity, Unitholders do not have the right to remove the General Partner which is a decision that is at the discretion of the Corporate Trustee. This presents a conflict of interest since some of the individuals who are officers/directors of the General Partner are also officers/directors of the Corporate Trustee and are also individual Trustees of the Trust.

Illiquidity of Farmland Investments

Like other real property investments, farmland investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may tend to limit the Partnership's ability to vary its portfolio promptly in response to changing economic or investment conditions. If the Partnership were required to liquidate farmland investments, the proceeds to the Partnership might be significantly less than the aggregate carrying value of such property.

Operational Dependence

As the net proceeds of this Offering are to be invested indirectly in securities of the Partnership, and such securities will comprise the main material asset of the Trust, any return which may be generated by the Trust (whether income, capital or otherwise) will be dependent on the success of the operations of the Partnership. The Trust is entirely dependent upon the operations and assets of the Partnership. The success of the Partnership will rely, to a fair degree, on the good faith, experience, ability and judgment of management of the General Partner and its personnel to make prudent acquisitions and dispositions of farmland and make appropriate decisions with respect to the other aspects of the operations of the Partnership. An investment in the Trust would not be appropriate for those unwilling to so rely. The Partnership's return on its assets and operations will also depend upon a number of factors outside of the Partnership's control, including weather risk, commodity price risk, changes in local, regional and/or global demand for agricultural commodities, as well as other economic factors.

If the General Partner loses the services of one or more of its directors or officers the business, financial condition and results of operations of the Partnership may be materially adversely affected which, consequently, impacts the value of the LP Units held by the Trust. Holders of LP Units will have no right to take part in the control or management of the Partnership, and the Partnership will be bound by the decisions of the General Partner. Investors must rely on the good faith, experience, ability and judgment of management of the General Partner.

Disclosure Obligations

The Trust is not a reporting issuer and does not have any continuous disclosure obligations of a reporting issuer. As an issuer that uses the Offering Memorandum exemption, the Trust will make reasonably available to Unitholders such information as required by applicable securities laws for a non-reporting issuer that distributes securities using the "offering memorandum" exemption (including audited annual financial statements, annual notices of use of proceeds and notices of certain key events, if any, and when applicable). See Item 9 – "Reporting Obligations".

Status of the Trust

The Trust is not a reporting issuer "mutual fund" for securities law purposes. As a result, some of the protections provided to investors in mutual funds under such laws will not be available to investors in the Class C Trust Units and certain restrictions imposed on mutual funds under Canadian securities laws, including National Instrument 81-102, do not apply to the Trust.

Unidentified Farmland

Not all of additional farmland to be acquired by the Partnership has yet been identified. Although the General Partner will apply the net proceeds from capital raised by Offering to purchase farmland, the specific farmland in which the Partnership will invest has not yet been determined.

Uninsured Losses

There are certain types of risks, generally of a catastrophic nature, such as wars, terrorist attacks or environmental contamination, which are either uninsurable or not insurable on an economically viable basis. Should an uninsured or underinsured loss occur, the Partnership could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, but would continue to be obligated to repay any recourse mortgage indebtedness on such properties.

From time to time the Partnership may be subject to lawsuits as a result of the nature of its business. The Partnership maintains business and property insurance policies in amounts and with such coverage and deductibles as are deemed appropriate, based on the nature and risks of the businesses, historical experience and industry standards. However, there can be no assurance that claims in excess of the insurance coverage or claims not covered by the insurance coverage will not arise or that the liability coverage will continue to be available on acceptable terms. A successful claim against the Partnership that is not covered by, or in excess of, the Partnership's insurance could materially affect such entity's operating results and financial condition, which would have an adverse effect on Unitholders. Claims against the Partnership, regardless of their merit or eventual outcome, will require management to devote time to matters unrelated to the operation of the business.

Fluctuations in Cap Rates

Generally, as interest rates fluctuate in the lending market, cap rates will fluctuate, which affects the underlying value of real estate. As such, when interest rates rise, generally cap rates should be expected to rise. Over the period of investment, capital gains and losses at the time of disposition can occur due to the increase or decrease of these cap rates.

Litigation Risks

In the normal course of the Fund Entities' operations, whether directly or indirectly, it may become involved in, named as a party to or the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions relating to

personal injuries, property damage, property taxes, land rights, the environment and contract disputes. The outcome with respect to outstanding, pending or future proceedings cannot be predicted with certainty and may be determined in a manner adverse to the Fund Entities and as a result, could have a material adverse effect on the Fund Entities' assets, liabilities, business, financial condition and results of operations. Even if the Fund Entities prevail in any such legal proceeding, the proceedings could be costly and time consuming and may divert the attention of management and key personnel from the Fund Entities' business operations, which could have a material adverse effect on the Fund Entities' business, cash flows, financial condition and results of operations.

Interest Rate Fluctuations

Financing by the Partnership may include indebtedness with interest rates which may fluctuate over time and which will result in fluctuations in the Partnership's cost of borrowing.

Potential Indemnification Obligations

Under certain circumstances, the Fund Entities might be subject to significant indemnification obligations in favour of the Trustees, the Manager, ALAM, the Fund Manager, and other service providers to the Fund Entities or certain parties related to them. The Fund Entities will not carry any insurance to cover such potential obligations and it is possible that none of the foregoing parties will be insured for losses for which the Trust has agreed to indemnify them. Any indemnification paid by the Trust would reduce the Net Asset Value of the Trust and, by extension, the Class Net Asset Value per Trust Unit.

Information Technology Governance and Security, Including Cyber Security

In the ordinary course of the Fund Entities' business, the Fund Entities collect, store, process and/or transmit sensitive data belonging to Investors, Unitholders, partners, vendors, employees and contractors, as well as, proprietary business information and intellectual property of the Fund Entities. The secure processing, maintenance and transmission of this information is critical to the business of the Fund Entities. The Fund Entities have implemented a secure operating framework which includes policies and governance, prevention and detection technologies, backup and recovery processes and other procedures and technology in the protection of its data, software and infrastructure assets from loss, theft, unauthorized access, vandalism, cyber-attacks, or events such as power outages or surges, floods, fires or other natural disasters. The Fund Entities have also implemented a major incidence process whereby breaches or unauthorized access to its systems are assessed and reported based on established communication protocols. Despite such security measures, data, systems and infrastructure may be vulnerable to cyber-attacks or breached due to employee error, malfeasance or other disruptions. These security breaches could materially compromise information, disrupt business operations or cause the Fund Entities to breach obligations, thereby exposing the Fund Entities to liability, reputational harm and/or significant remediation costs. A theft, loss, corruption, exposure, fraudulent use or misuse of information whether by third parties or as a result of employee malfeasance could result in significant remediation and other costs, fines, litigation or regulatory actions against the Fund Entities, as well as, cause reputational harm, negatively impact the Fund Entities' competitive position and affect financial results. The Fund Entities are increasingly relying on third party data storage providers, including cloud storage solution providers, resulting in less direct control over data and system processing. Such third parties may also be vulnerable to security breaches for which the Fund Entities may not be indemnified and which could cause materially adverse harm to the Fund Entities' reputation and competitive position or affect the Fund Entities' financial results.

Employee Errors or Misconduct

There have been a number of highly publicized cases involving fraud or other misconduct by employees in the investment industry in recent years and, notwithstanding the measures we intend to take to deter and prevent such activity, there is the risk that employee misconduct could occur. Misconduct by employees could include binding us to transactions that exceed authorized limits or present unacceptable risks, or concealing from us unauthorized or unsuccessful activities, which in either case, may result in unknown and unmanaged risks or losses. Employee misconduct could also involve the improper use of confidential information, which could result in regulatory sanctions and serious reputational harm. The Fund Entities are also susceptible to loss as a result of employee error. It is not always possible to deter employee misconduct or prevent employee error and the precautions taken to prevent and detect this activity may not be effective in all cases, which could materially adversely affect the Fund Entities.

Acquisitions

The Partnership's growth of Trust investment capital depends in large part on identifying suitable acquisition opportunities, pursuing such opportunities and consummating acquisitions. It is not possible to manage all risks associated with such acquisitions in the terms and conditions contained in commercial agreements pertaining to such acquisitions. The real estate assets may be subject to unknown, unexpected or undisclosed liabilities that may materially and adversely affect the Partnership's operations and financial condition and results. The representations and warranties, if any, given by arm's length third parties to the Partnership may not adequately protect against these liabilities and any recourse against third parties may be limited by the financial capacity of such third parties. Moreover, real estate assets acquired by the Partnership may not meet expectations of operational or financial

performance due to unexpected costs associated with developing an acquired property, as well as the general investment risks inherent in any real estate investment.

Funds from the Offering used for Deposits May be Unsecured

Available Funds from the Offering may be used (through the Partnership) as deposits on the purchase price of one or more properties. If the Partnership uses Available Funds as a deposit on the purchase price of a property, such funds will be at risk, whether such deposit is refundable or non-refundable as those deposit funds will be held by a third party who, generally, will not have granted any security interest or charge over any collateral in favour of the Fund Entities.

Non-Arm's Length Agreements

Certain agreements and arrangements contemplated by the Fund Entities' structure involve non-arm's length parties. As such, certain contractual terms usually contained in documentation that is negotiated at arm's length are not necessarily included in the agreements among the Fund Entities, ALAM and the Manager as those terms would not have the same effect as they would have in transactions between unrelated parties. In particular, with the exception of the Property Management Agreement, all of the agreements described in Item 2.7 – "Material Agreements" involve non-arm's length parties. In addition, as of the date of this Offering Memorandum, many of the Trustees are also directors of the Manager and ALAM. As such, six of the seven Trustees are not considered Independent of the Manager or ALAM. Further, the Manager may be considered a promoter of the Trust under applicable securities legislation for having taken the initiative in the founding of the Trust. Accordingly, the Manager, ALAM and the Trust are not considered to be at arm's length.

Key Personnel

The Trust's success depends in large measure on the Trustees, and as a result of the Management Agreement and the Services Agreement, key executive personnel of the Manager and ALAM, including Mr. Leif Snethun, the President of the Manager. The loss of services of such key personnel could have a material adverse effect on the Trust. The Trust does not have key person insurance in effect for management of the Trust. The contributions of these individuals to the immediate operations of the Trust are likely to be of central importance. In addition, the competition for qualified personnel in the industry is intense and there can be no assurance that it will be able to continue to attract and retain all personnel necessary for the development and operation of its business. Investors must rely upon the ability, expertise, judgment, discretions, integrity and good faith of the Trustees and management of the Trust.

Ancillary Business Activities

The success of the ancillary business activities such as solar projects or oil and gas activities that are incidental to the Partnership's ownership of land interests are outside of the control of the Partnership. There is no guarantee that these ancillary revenue streams will exist or, if they do, that they will be material to the operations of the Partnership.

8.3 Industry Risks Associated with the Farmland Business

Risks Related to Ownership of Farmland

The Partnership is subject to the normal risks associated with the ownership and operation of farmland, including fluctuations in interest rates, rental rates and vacancy rates; the ability to obtain and maintain lessees for rental lands; and other factors wholly or partially beyond the control of the Partnership. Such investments are also affected by general economic conditions, local real estate markets, supply and demand for farmland, competition from other available farmland and various other factors. The value of farmland may also depend on the credit and financial stability of the farm operators who lease the land assets from the Partnership. The Partnership's financial performance would be adversely affected if its farm operators were to become unable to meet their obligations under their leases. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the farm operator replaced. The terms of any subsequent lease may be less favourable to the Partnership than the existing lease. Further, farm leases may be subject to legislation which, among other things, grants a farm operator the ability to re-enter leased lands after the expiry or termination of the lease to complete harvest or remove crops. This may cause a delay in re-letting the lands owned by the Partnership resulting in financial loss to the Partnership.

In the event of default by a farm operator, delays or limitations in enforcing rights as lessor may be experienced and costs incurred in protecting the Partnership's investment may be incurred. Furthermore, at any time, a farm operator of any of the Partnership's properties may seek the protection of bankruptcy, insolvency or similar laws that could result in the rejection and termination of such farm operator's lease and thereby adversely affect the financial performance of the Partnership. The ability of farm operators to meet their lease obligations, and the Partnership's financial results to the extent that it operates any farmlands directly or crop shares or otherwise accepts grain or other crops in payment of rent, will be dependent on the crop yields on the farmlands owned by the Partnership which can be affected by numerous factors beyond the control of the Partnership or farm operators including

commodity prices, weather, crop diseases, pests and wildlife. In the event of default by a farm operator, the Partnership may experience delays in enforcing its rights as lessor and may incur significant costs in protecting its investment. In addition, a farm operator may seek the protection of bankruptcy, insolvency or similar laws. The Partnership cannot evict a farm operator solely because of its bankruptcy. A court, however, may authorize a farm operator to reject and terminate its lease with the Partnership. In such a case, the Partnership's claim against the farm operator for unpaid, future rent may be subject to a statutory limit that might be substantially less than the remaining rent owed under the lease. The loss of rental payments from farm operators and costs of re-leasing could adversely affect the Partnership's cash flows and operating results.

Certain expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of the farmland regardless of whether the farmland is producing any income.

Agriculture Industry Cyclicalities

The value of and revenues from the farmlands in which the Partnership will invest will be largely dependent on the performance of the Canadian agricultural industry, including in particular the agricultural industry in the provinces of Alberta, Saskatchewan and Manitoba. The agriculture sector has historically been a cyclical business. To the extent that the agricultural sector declines or experiences a downturn, the Partnership's operations and financial performance could be materially adversely affected.

Commodity Prices, International Trade and Political Uncertainty

The business of the Partnership is dependent on the health of the agricultural industry including in particular the agricultural industry in the provinces of Alberta, Saskatchewan and Manitoba, which in turn is dependent on the price of grain and other agricultural commodities. To the extent the Partnership operates any farmland directly or crop shares or otherwise accepts grain or other crops in payment of rent, the Partnership will be directly exposed to fluctuations in prices for these commodities. The price of grain and other agricultural commodities are influenced by a variety of unpredictable factors that are beyond the control of the Partnership, including weather, government (Canadian, United States and other) farm programs and policies and changes in global demand or other economic factors. The world grain market is subject to numerous risks and uncertainties, including risks and uncertainties related to international trade and global political conditions.

Competition

The Partnership experiences competition for farmland purchases as well as leasing of farmland. Certain of the Partnership's competitors may have greater financial and capital resources than the Partnership. The Partnership could face increased competition from newly formed or emerging entities, as well as from established entities that choose to focus (or increase their existing focus) on farmland opportunities in Canada. There can be no assurance that farmland properties will be available to the Partnership on commercially acceptable terms or at all, or that leasing opportunities for the farmland of the Partnership will be available to the Partnership on commercially acceptable terms or at all.

Farming Practices

Farm operators have control over the farming operations on lands leased from the Partnership and, in general, are contractually subject to conducting their farming operations in accordance with good farming practices and on a basis consistent with such practices as would be undertaken by a prudent owner farming its own farmland. Accordingly, the Partnership will be reliant on the farm operators (lessees) for utilizing good farming practices which do not degrade the farmland owned by the Partnership. Any such degradation may have a materially negative impact on the value of the farmland.

Regulatory Regime

The profitability of the Partnership will be in part dependent upon the continuation of the regulatory regime with respect to the holding of farmland in the provinces of Alberta, Saskatchewan and Manitoba. Should such farmland ownership provisions be modified, the operations and financial results of the Partnership may be materially adversely affected. The provinces of Alberta, Saskatchewan and Manitoba have restrictions regarding the ownership of farmland by non-resident persons or non-Canadian owned entities, as well as provisions whereby the applicable regulatory authority may issue orders to any person having a land holding in contravention of applicable law which could, among other things, require such person to reduce his, her or its aggregate land holding to an aggregate land holding that is permitted.

Environmental Matters

Environmental legislation and policies have become increasingly stringent in recent years. Under various laws, the Partnership could become liable for the costs of removal or remediation of certain hazardous or toxic substances found on or released on, from or in one or more of the properties of the Partnership, which costs could be significant. Such laws could impose liability whether or not the Partnership knew of, or was responsible for, the presence of such hazardous or toxic substances. The failure to remove

or remediate such substances, if any, may adversely affect the Partnership's ability to sell such property or to borrow using the property as collateral, and could potentially also result in claims against the Partnership by private parties.

Environmental laws provide for sanctions for non-compliance and may be enforced by governmental agencies or, in certain circumstances, by private parties. Certain environmental laws and common law principles could be used to impose liability for release of and exposure to hazardous substances into the air. Third parties may seek recovery from real property owners or operators for personal injury or property damage associated with exposure to released hazardous substances. The cost of defending against claims of liability, of complying with environmental regulatory requirements, of remediating any contaminated property or of paying personal injury claims could be substantial.

The Partnership may be subject to liability for undetected pollution or other environmental hazards against which they cannot insure, or against which they may elect not to insure where premium costs are disproportionate to the Partnership's perception of relative risk.

Real Estate Investments are Relatively Illiquid

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and for the perceived desirability of, the investment. Such illiquidity may tend to limit the Partnership's ability to vary its asset base promptly in response to changing economic or investment conditions. If the Partnership is unable to sell an asset, the Partnership may not be able to realize profits and/or minimize losses with respect to the asset and this in turn may adversely affect the Net Asset Value of the Trust and the return on investment in securities of the Trust.

In the markets the Partnership may target for future acquisitions, there may be considerable buying competition from other agriculture land companies, some of which may have greater resources, experience or expertise. In many cases, this competition for acquisition properties has resulted in an increase in property prices and a decrease in yields.

Risks of Real Property Ownership

Real estate developments, speculation and investments are, generally, subject to numerous risks depending on the nature and location of the property that can affect attractiveness and sale ability to potential purchasers or other investors, or the owner's use of such properties, all of which are beyond the control of the Fund Entities. Such risks include:

- the highly competitive nature of the real estate industry;
- changes in general economic conditions (such as the availability and cost to the Partnership or widespread fluctuations in adjacent property values);
- governmental regulation, rules or policies (such as increased taxation on the sale of or profits from real property, environmental legislation or municipal approvals for usage, development or subdivision); and
- changes in costs or operating expenses anticipated for properties.

The real estate industry is capital intensive and is typically sensitive to interest rates. Any proceeds generated by the sale of real estate assets depend upon general economic conditions and, accordingly, the ability of the Partnership to repay its financing may be affected by changes in those conditions. The Partnership will be required to make certain significant expenditures in respect of their business including, but not limited to, the payment of property taxes, mortgage payments, insurance costs and related charges which must be made regardless of whether or not real estate assets are producing sufficient income to service such expenses. If the Partnership is unable or unwilling to meet the payment obligations on such loans, losses could be sustained as a result of the exercise by the lenders of their rights of foreclosure or sale.

Market Risks

The economic performance and value of the Partnership's investments in agricultural land will be subject to all of the risks associated with investing in real estate, including, but not limited to:

- changes in the national, regional and local economic climate;
- local conditions, including an oversupply of agricultural land assets similar to the Agricultural Land Portfolio, or a reduction in demand for such properties;
- the attractiveness of all or parts of the agricultural lands to lessees or purchasers;
- competition from other available land assets; and
- changes in laws and governmental regulations, including those governing usage, zoning, the environment and taxes.

The foregoing risk factors do not purport to be a complete explanation of all risks involved in purchasing the Class C Trust Units. Potential investors should read this entire Offering Memorandum and consult with their legal and other professional advisors before determining to invest in the Class C Trust Units.

ITEM 9: REPORTING OBLIGATIONS

The Trust is not, and has no current intention of becoming, a reporting issuer (or holding an equivalent reporting status) in any jurisdiction in Canada or the United States and, accordingly, is not required to report, financially or otherwise, to the Unitholders (except as otherwise provided in the Trust Deed). As a result, the Trust is not subject to the continuous disclosure requirements under applicable securities laws, and is not required, among other things, to prepare, file, disseminate or send to securities holders audited annual financial statements, unaudited interim financial statements, annual or interim versions of management's discussion and analysis of financial condition and operating results, news releases disclosing material changes or facts about the activities of the Trust.

Pursuant to the Trust Deed, the Trust will send, or make reasonably available if sending is not required under applicable law (including securities laws or securities regulatory requirements or to the extent permitted by applicable securities regulatory authorities in Canada) to Unitholders within 120 days after the end of each fiscal year of the Trust (or within such shorter time as may be required by applicable securities laws or securities regulatory requirements or to the extent permitted by applicable securities regulatory authorities in Canada), the annual financial statements of the Trust for the fiscal year ended immediately prior to such date, together with comparative financial statements for the preceding fiscal year, if any, and the report of the Trust's auditor thereon. The Trust will prepare such financial statements in accordance with IFRS; provided that such statements and the obligations to deliver such statements may vary from such principles to the extent required to comply with applicable law, including securities laws or securities regulatory requirements or to the extent permitted by applicable securities regulatory authorities.

The Trust will make reasonably available to Unitholders such information as required by applicable securities laws for a non-reporting issuer that distributes securities using the "offering memorandum" exemption (including audited annual financial statements, annual notices of use of proceeds and notices of certain key events, if any, and when applicable).

On or before March 15 in each year (or within such other time required by the Tax Act), the Trust will provide to Unitholders who received distributions, if any, from the Trust in the prior calendar year, such information regarding the Trust required by Canadian law to be submitted to Unitholders for income tax purposes to enable Unitholders to complete their tax returns in respect of the prior calendar year.

The Trust will file, on behalf of itself and the Unitholders, annual trust information returns and any other information returns required to be filed under the Tax Act and any other applicable tax legislation in respect of the Trust.

The Independent Trustee(s) will provide an annual report to Unitholders indicating whether they considered any Conflict of Interest Matters and the applicable resolution.

Financial or other information relating to the Trust and provided to you in the future may not by itself be sufficient for you to assess the performance of your investment.

Certain information regarding the Trust's distribution of securities from time to time may be publicly available at the offices of applicable securities regulatory authorities and online at www.sedar.com.

ITEM 10: RESALE RESTRICTIONS

10.1 General

The Class C Trust Units will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the Class C Trust Units unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

For trades in any province of Canada other than Manitoba, unless permitted under securities legislation, you cannot trade the Class C Trust Units before the date that is four months and a day after the date the Trust becomes a reporting issuer in any province or territory of Canada.

The Trust is not, and has no intention of becoming, a reporting issuer in any province or territory of Canada, and therefore the Class C Trust Units will be subject to an indefinite hold period and may only be transferred under limited exemptions under applicable securities laws.

For trades in Manitoba, unless permitted under securities legislation, you must not trade the Class C Trust Units without the prior written consent of the regulator in Manitoba unless:

- (a) the Trust has filed a prospectus with the regulator in Manitoba with respect to the Class C Trust Units you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or
- (b) you have held the Class C Trust Units for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

10.2 Transfer Restrictions in the Trust Deed

Unitholders may only transfer their Trust Units in accordance with the provisions of the Trust Deed. Trust Units shall be transferable on the register of the Trust only by the Unitholders of record of such Trust Units or their executors, administrators or other legal representatives or by their agents or attorneys duly authorized in writing, and only upon delivery to the Manager of a direction to transfer in the form required by the Manager and accompanied by all necessary transfer or other taxes imposed by applicable law, together with such evidence of the genuineness of such endorsement, execution and authorization and other matters that may reasonably be required by the Manager, including evidence that the transfer is permitted under applicable securities laws. Upon such delivery, the transfer shall be recorded on the register maintained by the Manager for the Trust Units.

There is no market over which the Class C Trust Units can be transferred and it is very unlikely that one will develop. An Investor is encouraged to seek independent advice from its legal advisors. See Item 8 – “Risk Factors”.

ITEM 11: PURCHASERS’ RIGHTS

11.1 General

The securities laws in your jurisdiction may provide you with the statutory right, in certain circumstances, to seek damages or to cancel your agreement to buy Class C Trust Units. Most often, those rights are available, if we make a misrepresentation in this Offering Memorandum but, in some jurisdictions, you may have those rights in other circumstances, including if we fail to deliver the Offering Memorandum to you within the required time or if we make a misrepresentation in any advertisements or sales literature regarding Class C Trust Units. Generally, a “misrepresentation” means an untrue statement about a material fact or the failure to disclose a material fact that is required to be stated or that is necessary in order to make a statement not misleading in light of the circumstances in which it was made. The meaning of “misrepresentation” may differ slightly depending on the law in your jurisdiction. **If you purchase Class C Trust Units, you will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.**

11.2 Two-day Cancellation Right

You can cancel your agreement to purchase these Class C Trust Units. To do so, you must send a notice to us by midnight on the second Business Day after you sign the agreement to buy the Class C Trust Units.

11.3 Statutory Rights of Action

The following is a summary of the rights of rescission and damages, available to Investors under the securities legislation of certain provinces of Canada. Investors should refer to the applicable provisions of the securities legislation of their province of residence for the particulars of rights available to them, or consult with a legal adviser. The rights described below are in addition to and without derogation from any other rights or remedies available at law to an Investor.

11.3.1 *Investors in British Columbia, Alberta or Manitoba*

In addition to any other right or remedy available to you at law, if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) to cancel your agreement to buy these Class C Trust Units; or
- (b) for damages against the Trust, every person who was a Trustee of the Trust at the date of this Offering Memorandum and any other person who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. If you choose to rescind your purchase, you cannot then sue for damages. In addition, in an action for damages, the defendant will not be liable for all or any portion of damages that it proves do not represent the depreciation in value of your Class C Trust Units as a result of the misrepresentation. Further, the amount recoverable in an action for damages will not exceed the price at which the Class C Trust Units were offered. There are various defences available to the persons or companies that you have a right to sue. For example, they have a defence if you knew of the misrepresentation when you purchased the securities. In addition, the defendant will not be liable for a misrepresentation in forward-looking information if the defendant proves that:

- (a) this Offering Memorandum contains reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and
- (b) the Trust has a reasonable basis for drawing the conclusion or making the forecasts and projections set out in the forward-looking information.

However, in Alberta the above defence does not relieve a person of liability respecting forward-looking information in a financial statement. These rights are subject to more defences as more particularly described in securities legislation of Alberta, British Columbia and Manitoba (as applicable to the Investor).

Statutory rights for failure to deliver the Offering Memorandum

If you reside in British Columbia, Alberta or Manitoba and you do not receive a copy of this Offering Memorandum before you sign your Subscription Agreement, you have a right to sue for damages, or if you still own your Class C Trust Units, you can choose to cancel your agreement instead of suing for damages.

Time limitations

If you intend to rely on the statutory right to sue described above, you must do so within strict time limitations. In British Columbia or Alberta you must commence your action to cancel the agreement within 180 days after the transaction or commence your action for damages within the earlier of: (i) 180 days after learning of the misrepresentation, or (ii) three years after the transaction. In Manitoba, you must commence your action to cancel your agreement within 180 days after the transaction or commence your action for damages within the earlier of: (i) 180 days after learning of the misrepresentation, or (ii) two years after the day of the transaction.

11.3.2 Investors in Saskatchewan

If this Offering Memorandum together with any amendment hereto or advertising or sales literature used in connection therewith delivered to an Investor resident in Saskatchewan contains a misrepresentation, the Investor has, without regard to whether the Investor relied on the misrepresentation, a right of action for damages against the Trust, every person acting in a capacity with respect to the Trust which is similar to that of a director or promoter of the Trust, and every person who or company that sells the Class C Trust Units on behalf of the Trust under this Offering Memorandum or amendment thereto, or, alternatively, an Investor may elect to exercise a right of rescission against the Trust, provided that among other limitations:

- (a) no person or company is liable, nor does a right of rescission exist, where the person or company proves that the Investor purchased the Class C Trust Units with knowledge of the misrepresentation;
- (b) in an action for damages, no person or company will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Class C Trust Units as a result of the misrepresentation relied on;
- (c) in no case shall the amount recoverable exceed the price at which the Class C Trust Units were sold to the Investor; and
- (d) no action shall be commenced to enforce these rights more than:
 - (i) in the case of an action for rescission, 180 days after the date of the acceptance of the Investor's Subscription Agreement by the Trust; or
 - (ii) in the case of any action, other than an action for rescission, the earlier of one year after the Investor first had knowledge of the facts giving rise to the cause of action or six years after the date of the acceptance of the Investor's Subscription Agreement by the Trust.

A person or company is not liable in an action for a misrepresentation in forward-looking information if the person or company proves that:

- (a) this Offering Memorandum contains, proximate to that information:
 - (i) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and
 - (ii) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and the person had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information.

These rights are subject to more defences as more particularly described in *The Securities Act, 1988* (Saskatchewan).

11.3.3 *Investors in Ontario*

If this Offering Memorandum, together with any amendment or supplement to this Offering Memorandum, delivered to an Investor resident in Ontario contains a misrepresentation and it was a misrepresentation at the time of purchase of Class C Trust Units by such Investor, the Investor will have, without regard to whether the Investor relied on such misrepresentation, a right of action against the Trust for damages or, while still the owner of the Class C Trust Units purchased by that Investor, for rescission, in which case, if the Investor elects to exercise the right of rescission, the Investor will have no right of action for damages against the Trust, provided that:

- (a) the Trust shall not be held liable pursuant to either right of action if the Trust proves the Investor purchased the Class C Trust Units with knowledge of the misrepresentation;
- (b) in an action for damages, the Trust is not liable for all or any portion of such damages that it proves do not represent the depreciation in value of the Class C Trust Units acquired by the Investor as a result of the misrepresentation relied upon;
- (c) the Trust will not be liable for a misrepresentation in forward-looking information if the Trust proves that:
 - (i) this Offering Memorandum contains reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and
 - (ii) the Trust has a reasonable basis for drawing the conclusion or making the forecasts and projections set out in the forward-looking information;
- (d) in no case shall the amount recoverable pursuant to such right of action exceed the purchase price of the Class C Trust Units acquired; and
- (e) no action may be commenced to enforce such right of action more than:
 - (iii) in the case of an action for rescission 180 days after the date of the acceptance of the Investor's Subscription Agreement by the Trust; or
 - (iv) in the case of an action for damages, the earlier of:
 - (A) 180 days after the Investor first had knowledge of the facts giving rise to the cause of action, or
 - (B) three years after the date of the acceptance of the Investor's Subscription Agreement by the Trust.

If you intend to rely on the statutory right to sue described above, you must do so within strict time limitations. You must commence your action:

- (a) in the case of an action for rescission, 180 days after the date of the acceptance of the Investor's Subscription Agreement by the Trust; or
- (b) in the case of an action for damages, the earlier of:
 - (i) 180 days after the Investor first had knowledge of the facts giving rise to the cause of action, or
 - (ii) three years after the date of the acceptance of the Investor's Subscription Agreement by the Trust.

The foregoing rights do not apply if the Investor purchased Class C Trust Units of the Trust using the “accredited investor” exemption and is:

- (a) a Canadian financial institution (as defined in Ontario Securities Commission Rule 45-501) or a Schedule III bank;
- (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- (c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary. These rights are subject to more defences as more particularly described in the *Securities Act* (Ontario).

11.3.4 *Investors in Quebec*

In addition to any other right or remedy available to you at law, if this Offering Memorandum is delivered to an investor resident in Québec and contains a misrepresentation, the investor will have: (1) statutory rights under Québec legislation; or (2) contractual rights in circumstances where the Québec legislation does not provide such rights, as follows:

- (a) a right of action for damages against the Trust, every person acting in a capacity with respect to the Trust which is similar to that of a director or officer of a company, any expert whose opinion, containing a misrepresentation, appeared, with his consent, in this Offering Memorandum, the dealer (if any) under contract to the Trust and any person who is required to sign the certificate of attestation in this Offering Memorandum; or
- (b) a right of action against the Trust for rescission of the purchase contract or revision of the price at which Offered Units were sold to the investor.

However, there are various defences available to the persons or companies that an investor has a right to sue. Among other defences, no person or company will be liable if it proves that:

- (a) the investor purchased the Offered Units with knowledge of the misrepresentation; or
- (b) in an action for damages, that they acted prudently and diligently (except in an action brought against the Trust).

No action may be commenced to enforce such a right of action:

- (a) for rescission or revision of price more than three years after the date of the purchase; or
- (b) for damages later than the earlier of:
 - (i) three years after the purchaser first had knowledge of the facts giving rise to the cause of action, except on proof of tardy knowledge imputable to the negligence of the purchaser; or
 - (ii) five years from the filing of this Offering Memorandum with the Autorité des marchés financiers de Québec.

11.3.5 *Investors in Nova Scotia*

In the event that this Offering Memorandum, together with any amendments hereto, or any advertising or sales literature (as defined in the *Securities Act* (Nova Scotia)) contains an untrue statement of material fact or omits to state a material fact that is required to be stated or that is necessary in order to make any statements contained herein or therein not misleading in light of the circumstances in which it was made (in this Item 11.3.4 – Investors in Nova Scotia, a “misrepresentation”), a purchaser of the Class C Trust Units is deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the issuer or other seller of such Class C Trust Units, the directors of the seller and the persons who have signed the Offering Memorandum or, alternatively, while still the owner of the Class C Trust Units, may elect instead to exercise a statutory right of rescission against the issuer or other seller, in which case the purchaser will have no right of action for damages against the issuer or other seller, the directors of the seller or the persons who have signed the Offering Memorandum, provided that, among other limitations:

- (a) no action will be commenced to enforce the right of action for rescission or damages by a purchaser resident in Nova Scotia later than 120 days after the date payment was made for the Class C Trust Units (or after the date on which initial payment was made for the Class C Trust Units where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment);

- (b) no person will be liable if it proves that the purchaser purchased the Class C Trust Units with knowledge of the misrepresentation;
- (c) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Class C Trust Units; and
- (d) in no case will the amount recoverable in any action exceed the price at which the Class C Trust Units were offered to the purchaser.

The liability of all persons or companies referred to above is joint and several with respect to the same cause of action. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person or company who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable. These rights are subject to more defences as more particularly described in the *Securities Act* (Nova Scotia).

11.3.6 *Investors in New Brunswick*

If this Offering Memorandum contains a misrepresentation, a purchaser who purchases the Class C Trust Units will be deemed to have relied on the misrepresentation and will have, subject to certain limitations and defences, a statutory right of action against the Trust for damages or, while still the owner of the Class C Trust Units, for rescission, in which case, if the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages, provided that the right of action for rescission will be exercisable by the purchaser only if the purchaser commences an action against the defendant, not more than 180 days after the date of the transaction that gave rise to the cause of action, or, in the case of any action other than an action for rescission, the earlier of: (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or (ii) six years after the date of the transaction that gave rise to the cause of action. “Misrepresentation” in this Item 11.3.5 – Investors in New Brunswick means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made. The defendant will not be liable for a misrepresentation if it proves that the purchaser purchased the Class C Trust Units with knowledge of the misrepresentation. In an action for damages, the defendant will not be liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the Class C Trust Units as a result of the misrepresentation relied upon. In no case will the amount recoverable for the misrepresentation exceed the price at which the Class C Trust Units were offered. If you intend to rely on the statutory right to sue described above, you must do so within strict time limitations. You must commence your action:

- (a) not more than 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of any action other than an action for rescission, the earlier of:
 - (i) one year after you first had knowledge of the facts giving rise to the cause of action; or
 - (ii) six years after the date of the transaction that gave rise to the cause of action.

These rights are subject to more defences as more particularly described in the *Securities Act* (New Brunswick).

ITEM 12: FINANCIAL STATEMENTS

The following financial statements are included in this Offering Memorandum:

1. Audited financial statements of the Trust for the years ending December 31, 2018 and December 31, 2017.

[NTD: Financial Statements to be inserted here]

ITEM 13: DATE AND CERTIFICATE

March ____, 2019

This Offering Memorandum does not contain a misrepresentation.

**AVENUE LIVING AGRICULTURAL LAND TRUST, by its Manager,
AVENUE LIVING AGRICULTURAL LAND GP LTD.**

LEIF SNETHUN
Chief Executive Officer

ANDREW SEARBY
Chief Financial Officer

BY THE TRUSTEES

CARL DIODATI
Trustee

ANTHONY GIUFFRE
Trustee

MICHAEL GIUFFRE
Trustee

LEIF SNETHUN
Trustee

JOSEPH GIUFFRE
Trustee

KABIRUDEEN JIVRAJ
Trustee

JACK COLDWELL
Trustee

BY THE PROMOTERS

LEIF SNETHUN

ANTHONY GIUFFRE